

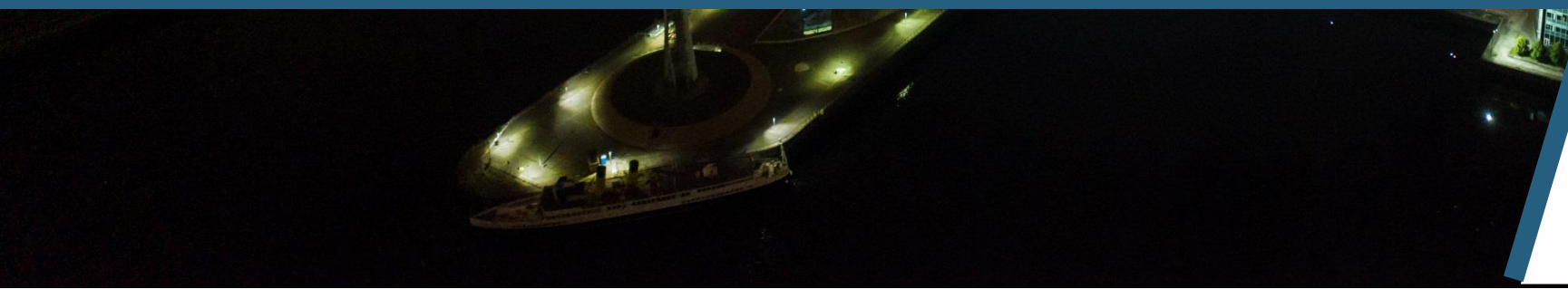


GLASGOW CITY REGION ECONOMIC BASELINE

JANUARY 2021



GLASGOW
CITY REGION



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1 Executive Summary

Glasgow City Region (GCR) has a modern service-based economy. It is Scotland's only truly functioning metropolitan region and the 4th largest amongst the UK's Core City Regions. In recent years, the GCR economy has thrived in many areas. At its heart are a series of innovation districts which are being set up to harness our world class education expertise. The Region continues to grow its trade and reputation on a European and wider Global stage. This will continue even further when Glasgow hosts COP26 in November 2021. Its successes have been driven by numerous strengths. But the Region's economy is also beset by a series of structural challenges, meaning that not everyone has shared its recent prosperity.

This executive summary of the socio-economic baseline for GCR highlights some of the key strengths and weaknesses of the Regional economy. In doing so, it makes a series of comparisons with the UK's Core City Regions. These are similar cities – in terms of scale and economic history. Further detail can be found in the full document and underpinning analysis which is available separately. Due to a lag, most of the data is pre-COVID-19 unless specified. (Analysis on potential COVID-19 impacts can be found in each section).

Note: The sources for the data quoted can be found in the main body of the document.

SOCIAL

Population

- 1,845,020 residents in 2019 – up 2.7% in previous 7 years.
- Net migration has been at the core of recent population growth – over 10,000 per annum on average.

Poverty

- 6.9% of working age population received some level of benefits in Nov 2020, higher than the Scottish average of 6%.
- 57% of the 15% most deprived datazones in Scotland are located in the GCR.

Health

- Healthy Life expectancy was 61 for Males and 62 for Females – although these numbers hide some stark contrasts between communities. The UK average is 63.1 and 63.6, respectively.

ECONOMY

Employment

- 855,000 jobs in the region – over the last three years it grew by 0.5%, the lowest growth rate amongst UK's Core City Regions.
- GCR has the largest percentage of individuals in Quality jobs amongst comparable UK City Regions with 67.3%.
- 85.9% of employment is within Service industries, 6.1% in Manufacturing, 6% in Construction, 1.8% in Production, and less than 0.3% in Agriculture.
- 72.7% - the region's working age employment rate. It is 2.6% points behind the Scottish national level, and 3.3% behind the UK.
- 124,700 people will be required to fill job openings in the region over the next 3 years, as projected by Skills Development Scotland. 15,700 will be for expansion and the rest replacements

Unemployment and Inactivity

- 35,800 working age individuals were unemployed at the start of 2020. If the region follows national projections, this could double within next year due to COVID-19 impacts.
- The unemployment rate is 4% - which is was the 2nd lowest amongst the UK's Core City Regions. But is 0.5% higher than the Scottish national level.
- 24.7% of the working age population is economically inactive – this is the 2nd highest rate amongst the UKs Core City Regions.

Low Pay

- 31.4% of the Region's workforce were in low paid sectors in 2018 – the 2nd highest proportion amongst the UK's Core City Regions.

Skills

- 42.3% of residents are educated to degree level – 2nd highest amongst UK's Core City Regions. But 13.2% residents have no qualifications – also the 2nd highest amongst comparator regions.

Businesses

- 49,000 enterprises are within Glasgow City Region.
- The Information & Communication and Professional, Scientific & Technical sectors have seen the largest enterprise growth rates (74% and 50% over the last 10 years).
- 56% of all jobs are in large businesses (+250 employees) – although they represent just 0.35% of the business stock.
- 412.2 – the number of businesses per 10,000 working age residents – the lowest rate amongst comparable city regions.
- 47.2 - the number of new businesses per capita (16+). Although higher than Scottish average, the UK rate is 70.7.

Innovation

- GCR had 4.5 patent applications per 100,000 residents – the weakest amongst UKs Core City Regions.
- Business expenditure on R&D increased by 81.3% over the last 4 years in GCR, the largest % increase within Scottish City Regions.

Productivity

- GCR contributed £42.9bn of GVA to the UK economy in 2018, the fourth largest contribution amongst the UK's Core City Regions.
- GCR's GVA grew by 25.2% over the last decade
- GVA per hour worked generated in GCR was £30.02. Over the last decade it grew by 25.9% - the second largest growth amongst comparator regions.

PLACE

Urban Centres

- Half of the ten most populous localities in Scotland are within the region.

Housing

- GCR has the most affordable housing offer (median house versus gross disposable household income) amongst the UK's Core City Regions
- GCR has a higher percentage of housing stock that meets the Quality Standard than the Scottish average. It has consistently improved the proportion of its dwellings with accessibility adaptations.
- According to projections from the National Records of Scotland. Approximately 92,000 new homes are needed in the next 20 yrs. .

Commercial Property

- Glasgow had one of the most acute commercial property shortages within the UK. Despite plenty of speculation, the impacts of COVID-19 on future office demand is not yet clear.

High Streets

- Retail jobs in GCR's high streets fell by 6.7% from 2015-18.
- This was the 2nd largest drop across the UK's Core City Regions

Vacant and Derelict Land

- There has been a 6.3% reduction in V&DL sites in GCR over the last 3 years.
- 1,734 vacant and derelict land sites still exist across the region, with a large proportion located in deprived communities.

Digital

- GCR's digital infrastructure continues to grow – with approximately 70% of premises having Ultrafast Broadband accessibility.
- 9.1% of GCR premises have access to a Full Fibre connection, 20% points off the UK Core City top quartile average rate (31%).

Travel to Work Area

- 93% of jobs are filled by people living within the region.

Transport Mode Share

- 30% of trips were made by public transport.

Environment

- GCR produced 4.6 tonnes per capita in CO2 emissions in 2018. Whilst emissions per capita had dropped by 2.4 tonnes between 2008 and 2018, amongst comparators, it is behind the best performing region – West Midlands at 3.9 tonnes per capita.
- 40% of emissions in GCR comes from transport with the remaining coming from domestic, commercial, industry, and land use.

SUMMARY STRENGTHS AND WEAKNESSES

Glasgow City Region has many socio-economic strengths and factors which make it attractive place to live and work in. But it equally has many weaknesses. A summary of its relative performance compared to other City Regions and UK averages is shown below.

	Current and Persisting Weakness	Current Weaknesses - But Recent Relative Improvement	Current Strengths - But Recent Relative Decline	Current and Resilient Strengths
SOCIAL	<ul style="list-style-type: none"> • Economic Inactivity • Employment • Youth Economic Activity • Out-of-work Benefit Claimants • Employment in low-paying sectors • No Qualifications • Skills Vacancies • Establishments/Workforce Skills Gap • Healthy Life Expectancy - Males 	<ul style="list-style-type: none"> • School Leaver Positive Destinations • Economic Inactive due to Long-term Ill Health • Incapacity Benefit Claimants • Healthy Life Expectancy - Females • Underemployment 	<ul style="list-style-type: none"> • Unemployment • Working-Age Population Proportion • Child Poverty 	<ul style="list-style-type: none"> • Gender Employment Gap • Employees Earning Less than Living Wage • Degree-level Qualifications • Staff Utilisation • Dependency Ratio • Economically Inactive: Full-time Students • Fuel Poverty • Youth Job-related Training
ECONOMIC	<ul style="list-style-type: none"> • GVA per hour worked • Job Density • Growth Sector Enterprise Rate • Business Births • Procurement spend on local SMEs • Patent Applications per capita • SIMD Representation 	<ul style="list-style-type: none"> • Enterprise Rate • Business Expenditure in R&D per Capita • Survival Rate of New Enterprises • Proportion of High-skilled Occupations 	<ul style="list-style-type: none"> • Total GVA • Total Jobs • Business Deaths • Exports per job 	<ul style="list-style-type: none"> • Wage Growth Disparity • Median Weekly Earnings • Total Income • Job Quality
PLACE	<ul style="list-style-type: none"> • International Airport Passengers • Ultra-Fast Broadband (+faster) Infrastructure 	<ul style="list-style-type: none"> • Dwellings in Disrepair • Housing Quality • Vacant & Derelict Land 	<ul style="list-style-type: none"> • Net Migration • International Net Migration • Public Transport Satisfaction • Bus Patronage • Domestic Airport Passengers • Domestic Tourism • Tourism Enterprise Turnover/GVA • Vacant & Derelict Land Re-use • Emissions per Capita 	<ul style="list-style-type: none"> • Overseas Tourism • Train Patronage • Freight Transport • Airport International and Domestic Routes • Housing Affordability • Adapted Dwellings for Accessibility • New Build Housing

GRAND CHALLENGES AND FUTURE PRIORITIES

The issues facing the region can be summed up in three grand challenges:

Inclusive Growth, The Region's Productivity Gap and The Climate

Emergency. Addressing these requires significant additional investment focused around a series of priorities.

	PRIORITIES	GRAND CHALLENGES		
		Inclusive Growth	Enhancing Productivity	Climate Emergency
SOCIAL	<ul style="list-style-type: none"> Reducing the absolute level of multiple deprivation in areas within the most deprived 20% SIMD areas; 	✓		
	<ul style="list-style-type: none"> Reducing economic inactivity due to ill-health 	✓	✓	
ECONOMIC	<ul style="list-style-type: none"> Improving the overall skills profile of the Region by reducing the proportion of population with no/low qualification levels 	✓		
	<ul style="list-style-type: none"> Increasing the number of, and improving the spatial distribution and access to, fairly paid, good quality, sustainable jobs across the Region 	✓	✓	
	<ul style="list-style-type: none"> Increasing the number of businesses per capita and the productivity of the existing business stock 	✓	✓	
PLACE	<ul style="list-style-type: none"> Reducing the level of vacant and derelict land in close proximity to residential and business areas through regeneration and the enhancement of openspace 	✓		✓
	<ul style="list-style-type: none"> Improving access to employment locations via public transport/active travel and improved digital connectivity; and 	✓	✓	✓
	<ul style="list-style-type: none"> Ensuring the availability and access to affordable, quality housing with a focus on developing on vacant and derelict land 	✓	✓	✓
	<ul style="list-style-type: none"> Reducing CO2 emissions to meet Net Zero targets 			✓

2 Introduction

Over recent years, the Glasgow City Region (GCR) economy has been transformed. As characterised with its three innovation districts, it has moved into a service economy based on knowledge and innovation. Once the industrial backbone of the national economy, its importance to the Scottish economy remains. It accounts for roughly one third of Scotland's jobs, businesses and industrial output. Nevertheless, the legacy of its industrial past remains. Too many of its communities are blighted by the scars of deprivation.

Drafted at the end of 2020, this document serves to act as a summary baseline of the region's socio-economic issues. It focuses on the primary issues impacting on the wellbeing of GCR residents, its businesses and local communities. It provides a snapshot of what is happening in the economy now, and how that has evolved over recent years, whilst acknowledging the limitations of some of the available data. It does not attempt to answer why the economy has changed. This is for subsequent analysis and studies.

The economic crisis arising from Covid-19 has made clear that there is a requirement for real-time regional economic data. The currently available regional data used in similar socio-economic baselines come with a lag of usually a year, if not more. As the baseline was drafted, the first round of vaccines were being rolled out across the UK, and economists were becoming more optimistic about the longer-term impacts on the economy.

As a result of the lack of available real-time data, the regional Covid-19 specific analysis is less robust than would normally be used. More importantly, the public health response, and national government

support packages for businesses and self-employed, are constantly evolving – which makes providing a definitive assessment of the real state of the economy, now and in the near future, virtually impossible.

Nevertheless, under each main section of the document, analysis is provided on how Covid-19 is impacting the economy. The analysis will continue to be updated as new policies are implemented and evidence of impacts becomes clearer.

Equally, as the document is produced, the settlement of the future trading relationship between the UK and EU is not yet clear. The potential impacts are briefly noted in the Conclusions in section 5. A more in-depth analysis is available within the 'Economic Briefing Paper – Brexit Impacts, August 2020'.

The metrics used within these analyses have been constructed through discussions with key stakeholders within Glasgow's regional partnership. For the purposes of this summary, the analyses focus on the region as a whole. It is recognised that there are variances of performance across the indicators for member authorities within GCR.

A more detailed review, which takes account of these intraregional differences, will be conducted in a separate analysis available in early 2021. This will be based on the indicators listed in Appendix A. In the meantime, any queries on the individual member authority data can be directed to the Glasgow City Region Intelligence Hub – contact details at the back.

As part of the process of understanding the strengths and weaknesses of the region a comparative analysis has been undertaken with the other UK

Core City Regions outside of London. They have been chosen because of their socio-economic similarities with GCR:

- They are large scale city regions
- Are dominated by one large city
- Are surrounding by an economic hinterland and
- Have similar industrial-based economic legacies.

The document has been developed in six sections.

1. **Introduction** – summarises the report and what is included
2. **Social** – covers a wide range of people factors. What is the population of the region and how has that changed? What are the demographic issues facing the region? What are the regions poverty, inequality and health challenges?
3. **Economic** – the section focuses on a series of broad economic factors. For instance, what is the broad structure of the economy and its areas of strength? What are the patterns of employment and unemployment? What are the skills level of the population? What does the GCR business base looks like – how important are small and large businesses? Also, how productive is the economy?
4. **Place** – this section reviews a range of factors around the economy of our places. What is the structure of our communities? What does the housing market look like? How successful are our transport networks (public / private)? What is our digital capabilities and how attractive are our places?
5. **Relative Performance Assessments** – a summary assessment of the relative performance of GCR comparison to other City Regions across the UK and national averages

6. **Conclusion and Emerging Priorities** – the emerging conclusions and priorities which need carried forward into future investment decisions and the new Regional Economic Strategy

This version of the baseline is produced to support the update of the Programme Business Case for the Glasgow City Region City Deal. Where possible, it includes brief commentary on what the emerging data means for the Strategic and Economic cases for the City Deal in 2020/21 at a programme-level, as opposed to individual projects. It also accounts for possible Covid-19 impacts.

3 Social

The following section covers people factors.

- Population, Demographic Change and Household Projections
- Poverty and Inequality –SIMD areas, claimant count data, child poverty, fuel poverty and income inequality
- Health – Death rate and life expectancy

It also includes a brief analysis on what we know have been, and may be, the impacts of Covid-19 on local residents.

3.1 POPULATION, DEMOGRAPHIC AND HOUSEHOLDS

3.1.1 Population

In 2019, the Glasgow City Region population¹ was:

1,845,020

Importance to Scotland: As Scotland's only true metropolitan region, 1/3 of Scotland's residents live in GCR.

Growth Rate: Over the past 5 years, it has grown by 2.7%. This is above the Scottish growth rate of 2.2% but less than the UK rate of 3.4% for the same period.

Between 2009 and 2019, the UK population grew by 7.3%. GCR experienced a growth rate of 4.3%, 0.1% points behind the Scottish rate.

Core City Region Comparison: GCR has the fourth biggest population amongst the UK Core City Region's. West Midlands has the largest population (2.9m), followed by Greater Manchester (2.8m) and West Yorkshire (2.3m). West of England's population grew by 10.5% between 2009 and 2019, the largest percentage increase amongst the UK's Core City Regions. Whereas, GCR's growth rate of 4.3% was the lowest.

3.1.2 Demographic Change

GCR Population Change: Over the past 25 years, the structure of the GCR population, in terms of proportionate split by age cohort and sex, has remained fairly stable for age groups under 50. See Figure 1.

There is a growing issue that the GCR population is growing older. An ageing population can place extra strain on local economies, as the demand for health and social care will grow, and there will be more reliance on the working-age population to maintain the economy's current levels of production.

Dependency Ratio: The extent to which an economy is reliant upon its working-age population to be productive can be represented by the Dependency Ratio. This quantifies how many young (0-15 years) and pensionable age (65+ years) individuals there are against the number of working-age (16-64 years) individuals.

In 2019, GCR's Dependency Ratio was quantified as 52.4%, the second lowest ratio amongst comparable UK Core City Regions. GCR's ratio compared favourably with the Scottish (56.2%) and UK (60.1%) national ratios, but, with an increasing pensionable age population, it is anticipated that the GCR's ratio will grow in the future.

Comparison with UK: the structure of the GCR population is relatively similar to the UK's when considering young (0-18) and old (over 70s). But there are significant differences when compared with 18-40 year olds (particularly males) and 45 and above. See Figure 2.

¹ NOMIS, [Population Estimates \(June 2020\)](#)

Interregional Differences: While the GCR has a comparatively lower dependency ratio there are significant differences within the region. Glasgow's low dependency ratio (41.2%), coupled with its significant proportion of the region's total population, masks the higher dependency ratios seen in East Dunbartonshire (67.7%) and East Renfrewshire (68.1%).

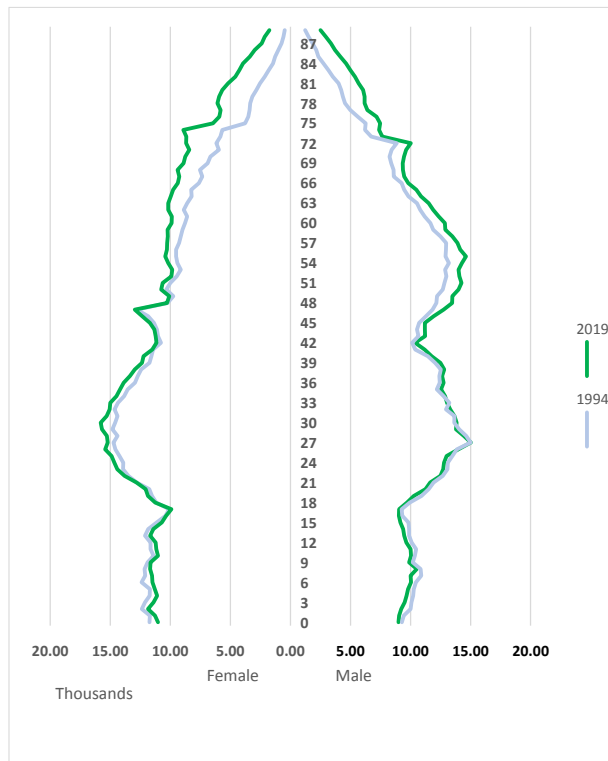


Figure 1 - GCR Population 1994 and 2019

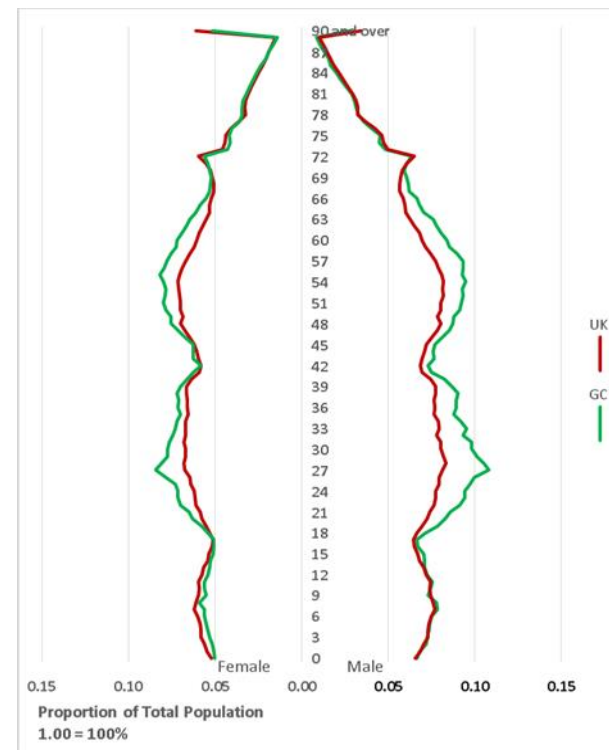


Figure 2 - GCR v UK Proportionate Population Pyramid (2019)

3.1.3 Natural versus Net Migration

The population of GCR has been growing since 2004. As shown in Figure 3 - Population: Natural versus Migration Change², this has been primarily down to net migration. Natural population change is quantified by looking at the number of births and deaths in a geography - whereas Net Migration is quantified by analysing the number of inward and outward migrants in an area.

Brexit and UK Immigration Policy Challenges: As the UK is shortly to adopt a points-based immigration system³ and with the Brexit transition arrangements shortly to finish, this will need to be followed closely. There is a possibility that this will lead to a reduction in migrants coming into the region and possibly some EU citizens choosing to leave. This could lead to further challenges on the dependency ratio.

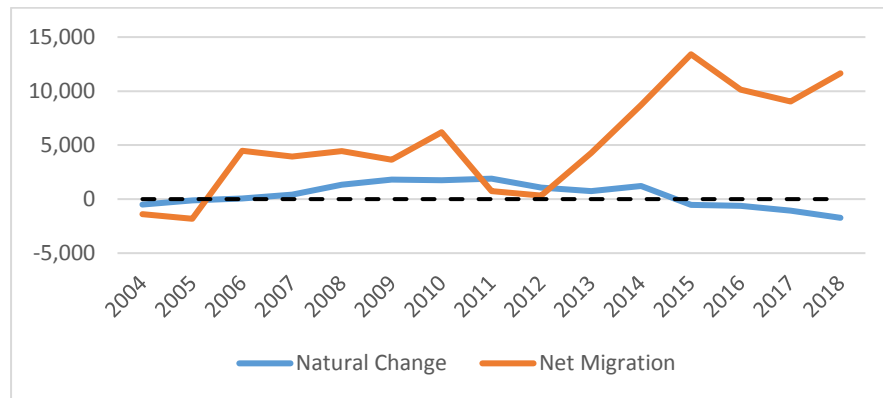


Figure 3 - Population: Natural versus Migration Change

² ONS, [Migration Statistics \(Aug 2020\)](#)

³ UK Government, <https://www.gov.uk/guidance/new-immigration-system-what-you-need-to-know>

3.1.4 Population Projection

Based on 2018 population estimates, the National Records of Scotland (NRS) have projected population changes, by age cohort, for local authorities in Scotland to the year 2043⁴. Aggregating the GCR's member authority estimates shows that the GCR is projected to increase its total population by 2.7% to 1,882,792 in 2043.

However, the aforementioned issue of an ageing population in the GCR has been corroborated by the NRS' projections to 2043, with pensionable age individuals projected to have the largest percentage increase (+18.5%) out of the three age cohorts. The working-age population is anticipated to grow by 0.5%, whereas the youth population is projected to decline by 8.9%. Similar age cohort projections have been estimated across Scotland.

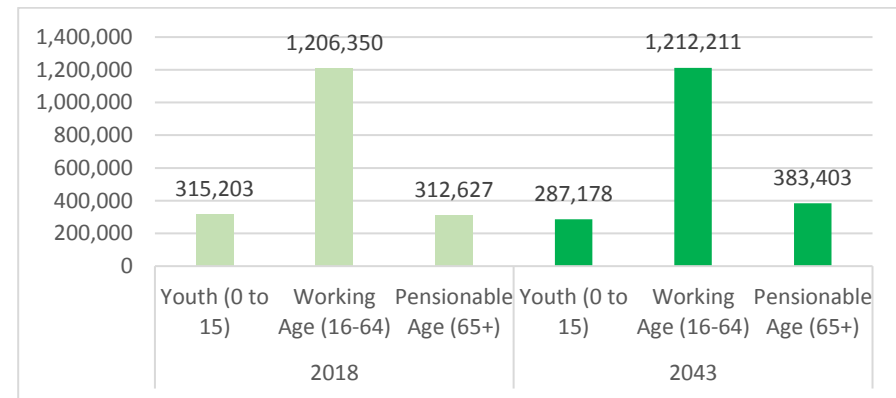


Figure 4 – GCR Population Projections 2018-2043

⁴ NRS, [Sub-national Population Projections \(2018\)](#)

3.1.5 Household Projections

The National Records of Scotland (NRS) have produced 2018-based household projections to 2043 for all local authorities in Scotland⁵. The latest mid-year household estimates, covering the 2019 period, quantified that there were 847,399 households in GCR. GCR's household numbers are anticipated to increase by 9.4% to 2043, an increase of 79,197 households.

GCR's household projections, while close to the Scottish national growth rate of 9.6%, were significantly lower than that of the Edinburgh and South East Scotland City Region (+17.0%). Intraregional comparisons show that Inverclyde is one of four local authorities in Scotland that are projected to experience a decrease in their household numbers to 2043, contributing to GCR's poor comparative growth rate.

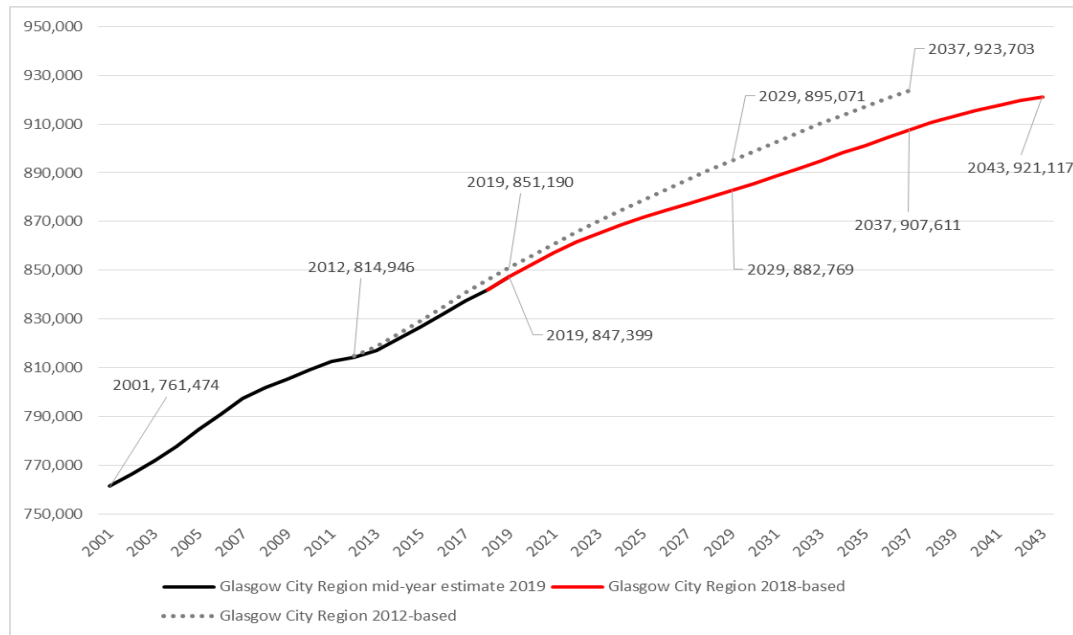


Figure 5 – GCR Household Projections to 2043

⁵ NRS, [Household Projections \(September 2020\)](#)

3.2 POVERTY AND INEQUALITY

3.2.1 Poverty – SIMD Areas

The Glasgow City Region has a long legacy of deprivation due to poverty. The 2020 SIMD⁶ data shows that the region has a significant over representation of residents living in the country's most deprived areas:

- 57% of the 15% most deprived datazones in Scotland are located within the GCR. The deep-rooted nature of deprivation is exemplified in GCR by their only being a 2% point reduction in its representation within the 15% most deprived datazones since 2009.
- Over 450,000 of GCR's population live in the 15% most deprived areas in Scotland – representing 25% of the region's total population.
- Except for the Access domain, GCR has a higher than average proportion of datazones in the most deprived 15% across all the SIMD domains:
 - Income – 55%
 - Employment – 54%
 - Health – 63%
 - Education – 48%
 - Crime – 41%
 - Housing – 59%
- Across the region, six out of the eight of the member authorities in GCR feature in the top 10 local authorities with highest proportion of their datazones within the bottom 20% SIMD.

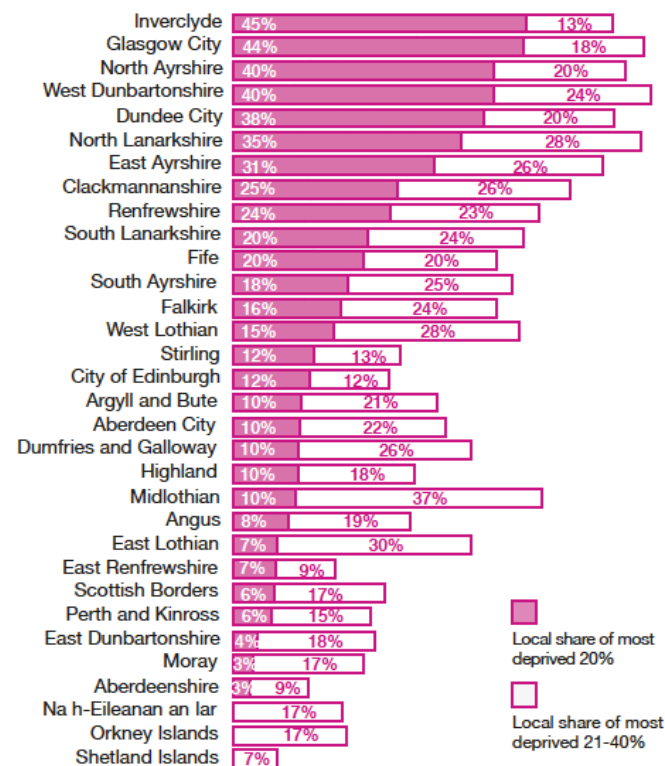


Figure 6 Local Authority with highest % of deprived areas

⁶ [SIMD 2020](#)

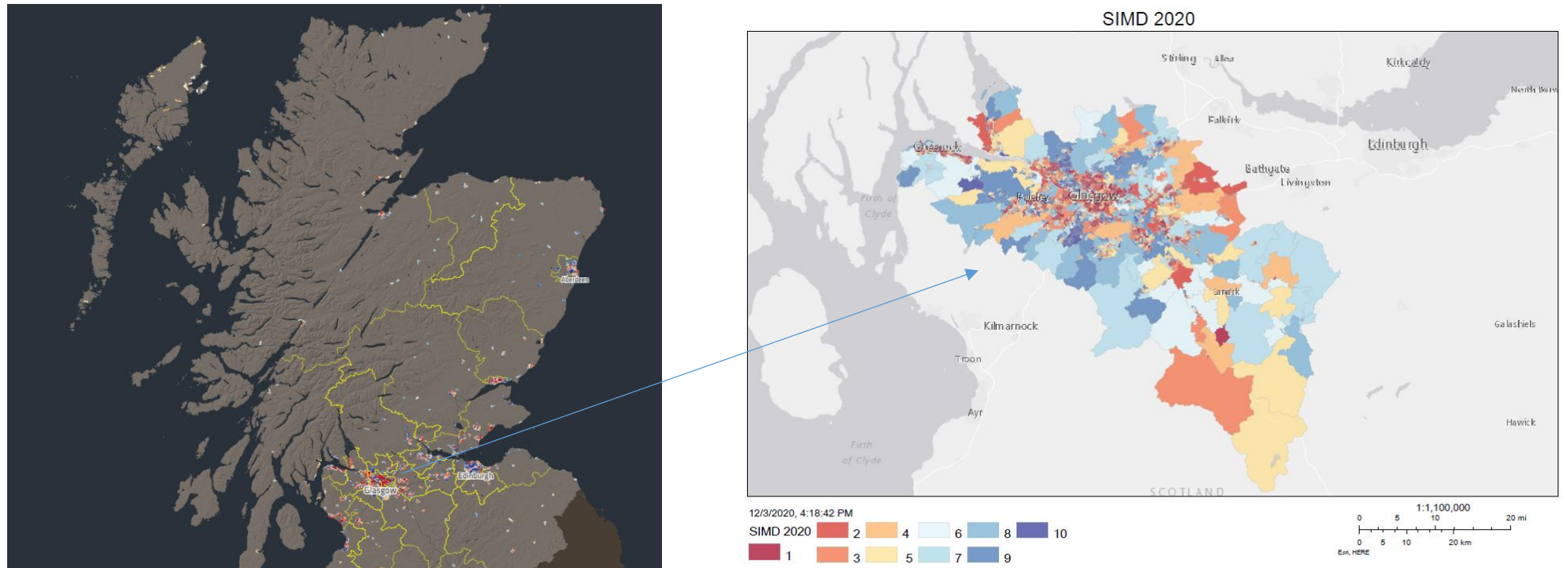


Figure 7 –Regional SIMD Areas 2020

3.2.2 Poverty – Claimant Count Data

6.9% of working age residents within the region claimed at least one form of unemployment benefit in October 2020, an increase from the 4.5% observed in February⁷. The dramatic rise in claimants (+79.8%) can be explained by the economic consequences of the Covid-19 pandemic. Five years ago, the Claimant Count rate was as low as 2.7%.

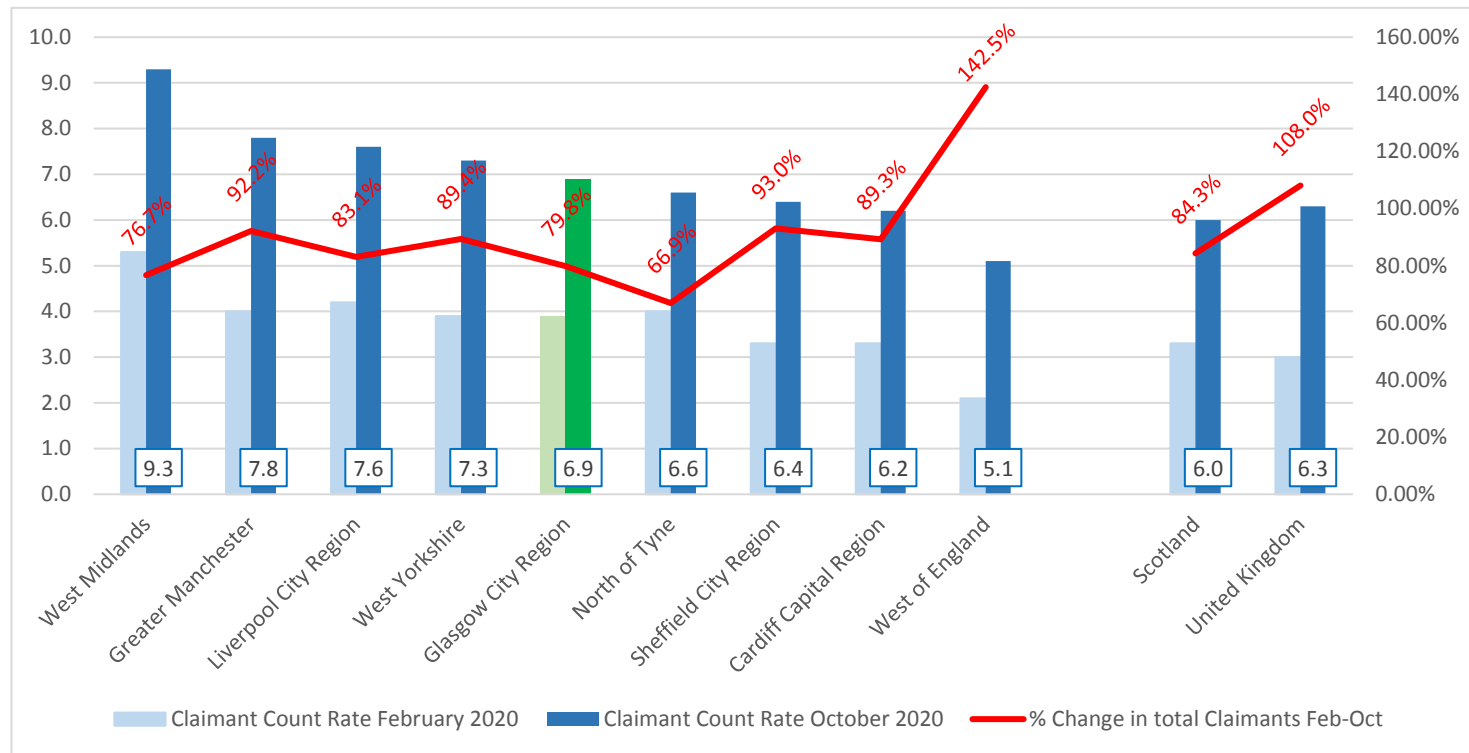


Figure 8 - Claimant Count October 2020

⁷ NOMIS, [Claimant Count \(November 2020\)](#)

3.2.3 Poverty – Children

Almost 26% of children in GCR are in poverty⁸. This measure quantifies the percentage of children that are in households with incomes that are below 60% of the household median, after housing costs. In comparison to the UK average (30%), and the rest of the UK Core City

Regions, GCR is performing favourably. However, there has been a 2.6% point growth between 2014/15 and 2018/19. Equally, this measurement does not factor for the current and potential future impacts of Covid-19.

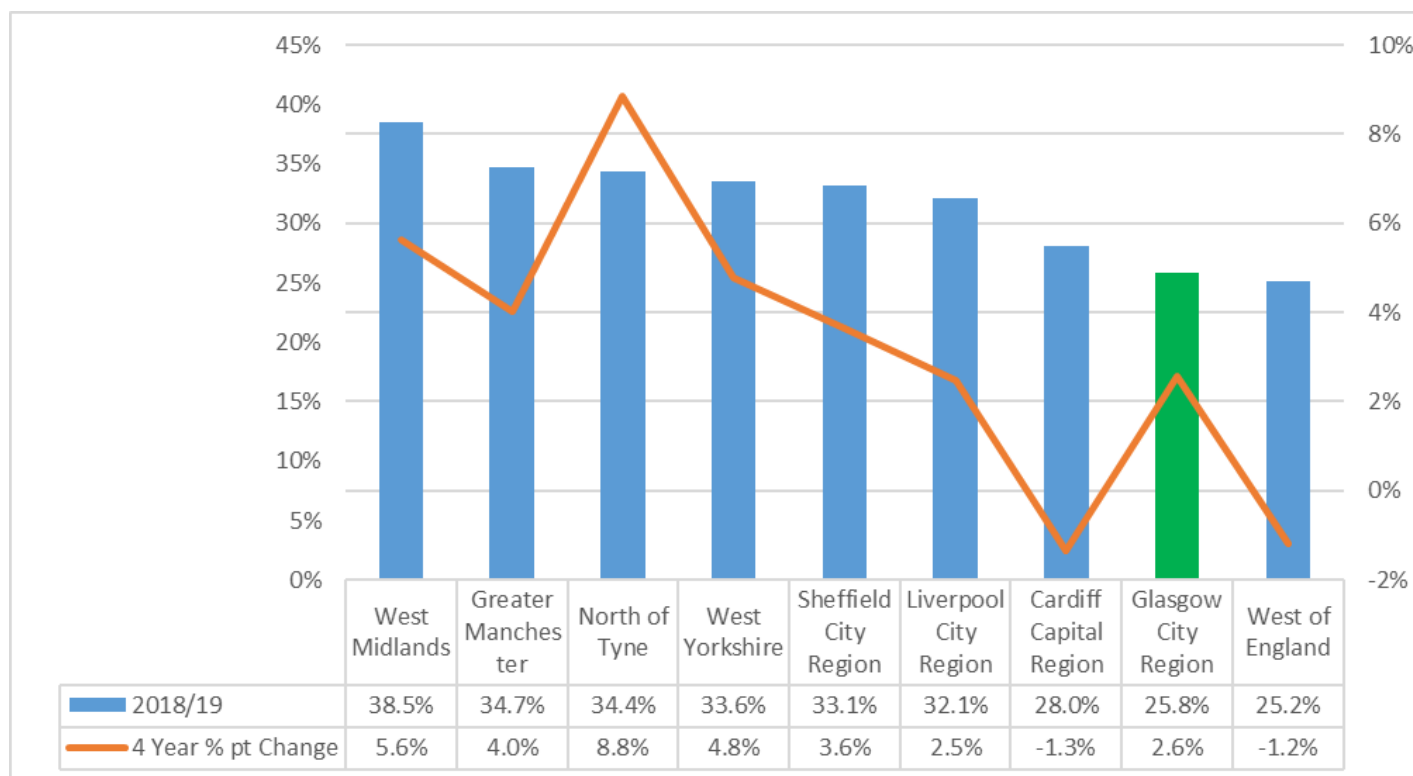


Figure 9 – Child Poverty Rate 2014/15-2018/19

⁸ [End Child Poverty \(2018/19\)](#)

3.2.4 Fuel Poverty

In the 2016-2018 period, GCR ranked 2nd from all Scottish City Regions in the share of households who are not in fuel poverty 76.3%, higher than the Scottish average (75.2%)⁹. However, there was a 2.7% point increase in GCR's rate from 2014-2016 - the lowest percentage point increase amongst the Scottish City Regions.

3.2.5 Inequality – Income Disparity

The Annual Survey of Hours and Earnings (ASHE)¹⁰ publishes resident-based estimates of earnings to a local authority level. The growth in earnings of those in the lowest 20th percentile can be compared with the median earnings to discern the level of income disparity in an area.

In the medium-term (2014 to 2019) – the 20th percentile earnings of those who resided in GCR increased by 17.9%, a larger increase than the growth in median earnings in the same time period, 14.2%. This suggests a decrease in income disparity within GCR. The 3.7% point decrease in income disparity in GCR was the largest decrease recorded amongst the UK Core City Regions, whilst also outperforming the national performance for both Scotland and the UK.

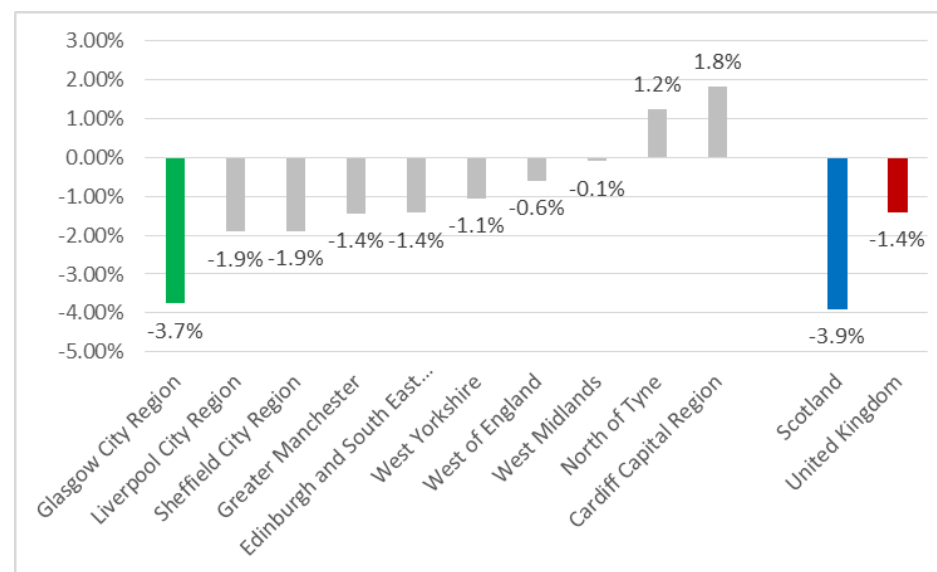


Figure 10 – % Point Change in Income Disparity 2014-2019

⁹ Scottish Government, [Scottish Household Condition Survey](#)

¹⁰ ONS, [Annual Survey of Hours and Earnings \(2020\)](#)

3.3 HEALTH

3.3.1 Health – Death and Mortality Rates

The age standardised death rate (per 100,000) in GCR fell by 45.2% points between 2008 and 2018, a greater decline than that of the Scottish national figure (-37.8% points)¹¹.

The latest estimates for 2018 appear to show a disparity between the local authorities in GCR. East Dunbartonshire and East Renfrewshire are amongst the local authorities with the lowest death rates in comparable city regions across the UK, whereas Glasgow, Inverclyde, North Lanarkshire, and West Dunbartonshire have the four highest death rates.

At a national level it is evident that there is a correlation between death rates and levels of deprivation; in that higher levels of deprivation are correlated with a higher death rate. From 2001 the decline in the death rate of the lowest quintile of deprivation (-11% points) was significantly lower than that of the highest quintile (-22% points).

3.3.2 Health – Healthy Life Expectancy

Healthy Life Expectancy (HLE) measures the number of years, from birth, that an individual will be in “good” self-assessed health¹². In 2016-2018 GCR females were estimated to have a HLE of 62.0, with males having a slightly lower HLE of 61.2. GCR compared relatively well with other UK Core City Regions, having the 3rd highest male HLE, and the 2nd highest female HLE. However, GCR’s HLE for both men and women remained below the UK national level.

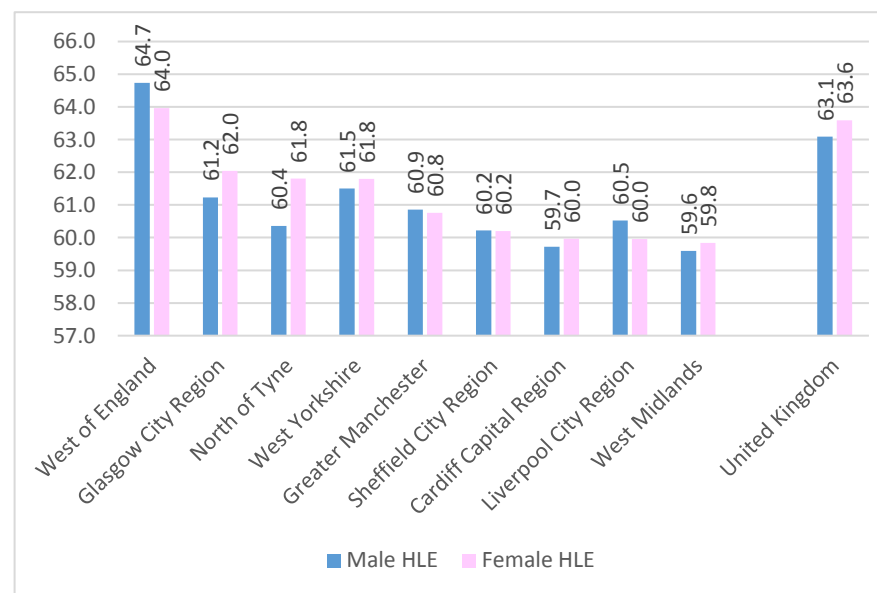


Figure 11 – Healthy Life Expectancy

¹¹ NRS, [Age Standardised Death Rates](#)

¹² ONS, [Healthy Life Expectancy](#)

3.4 SOCIAL – COVID-19 IMPACTS

Long Term Impacts: the long term Covid-19 impacts will take some time to determine. It is likely due to the nature of the lockdown that impacts will be felt on

- Health –with the potential for long term effects on the mental health and wellbeing of many people. For instance, YouGov surveys for the Scottish Government reported that “the lockdown period has been associated with higher than usual levels of reported loneliness”¹³
- Inequality – the disruption caused to the education system has the potential to set back children in lower income groups. This will come from the immediate lack of resources (i.e. access to online learning) and the longer-term capacity to bring in external educational support to bridge any gaps.

Short Term Impacts: the more immediate impacts are clearer to see:

- **Financial Pressures:** the claimant count data is evidence of the rise in demand for additional financial support. This will inevitably be putting significant strain on households.
- **Health:** GCR has higher rates of Covid-19 than seen in other parts of country. The rate of 11.1 deaths from Covid-19 per 1,000 population is higher than the all other Scottish regions and higher than the Scottish average of 10.5¹⁴.

The challenges are not unique to GCR. But the pre-existing high levels of deprivation within the region, and the likely disproportionate impacts to be felt by the lower income groups, indicate that a large number of residents will be particularly vulnerable to the impacts of Covid-19.

3.5 SOCIAL AND THE GCR CITY DEAL

A key, if not, the key driver behind the City Deal was to spread economic growth over the City Region and improve the life chances of people living in some of Scotland’s most deprived area. Whilst there have been some improvements across the region in terms of reducing poverty, the need for investment remains as strong as ever. Covid-19 is only increasing the need, as noted in section 3.2.2. (Claimant Count Data).

One of the factors behind several City Deal projects is to enable the development of new housing. The latest NRS projections show there will be a growth of almost 80,000 new households in GCR by 2043.

¹³ Scottish Government, [COVID and Loneliness](#)

¹⁴ NRS, [COVID-19 in Scotland](#)

4 Economic

This section covers:

- Economic Structure – jobs and business by industry, the move to a service economy, Scottish Government Growth Sectors, and growth of competitive advantages of the economy
- Job – by numbers, employment and unemployment rates, economic activity / inactivity, low pay, underemployment, gender employment issues, youth employment job and future employment opportunities
- Skills – degree educated and residents with no qualifications
- Business base – no. of business per capita, businesses by sector and size, and the service sector
- Entrepreneurship – business births / deaths
- Innovation – R& D spending
- Productivity – total GVA and GVA per hour worked k

It also includes a brief analysis on how Covid-19 may be impacting the economy.

4.1 ECONOMIC STRUCTURE

4.1.1 Economic Structure – Industries by Size

Broad Structure: The GCR economy has a wide-ranging economy as shown in Table 2. The broader structure can be seen in Table 1 GCR Broad Sector:

	Business Counts ¹⁵	Employee Jobs ¹⁶
Services	39,540	736,000
Production	270	15,450
Manufacturing	2,795	52,000
Construction	6,265	51,000
Agriculture	1,045	2,250
Total	49,905	855,000

Table 1 GCR Broad Sector Profile

Approximately 23.3% (199,000) of GCR's jobs are in the public sector, with 76.7% (656,000) in the private sector. The proportion of GCR's total jobs in the public sector is similar to that of the national Scottish proportion (23.2%) but is greater than that of the Great British level (17.1%). It has dropped from 25.1% since 2009.

¹⁵ NOMIS, [Business Counts 2020](#)

Industry	Enterprises (2020)	Jobs (2019)
A : Agriculture, forestry and fishing	1,045	2,250
B : Mining and quarrying	20	450
C : Manufacturing	2,795	52,000
D : Electricity, gas, steam and air conditioning supply	95	8,000
E : Water supply; sewerage, waste management and remediation activities	155	7,000
F : Construction	6,265	51,000
G : Wholesale and retail trade; repair of motor vehicles and motorcycles	7,945	115,000
H : Transportation and storage	2,090	37,000
I : Accommodation and food service activities	4,080	57,000
J : Information and communication	3,525	32,000
K : Financial and insurance activities	1,110	34,000
L : Real estate activities	1,940	15,000
M : Professional, scientific and technical activities	8,140	58,000
N : Administrative and support service activities	3,765	92,000
O : Public administration and defence; compulsory social security	10	58,000
P : Education	640	65,000
Q : Human health and social work activities	2,200	138,000
R : Arts, entertainment and recreation	1,205	21,000
S : Other service activities	2,890	14,000
Total	49,905	855,000

Over 5% of Total Proportion	
Over 10% of Total Proportion	

Table 2 GCR Industrial Structure

¹⁶ NOMIS, [Business Register and Employment Survey \(Oct 2020\)](#)

4.1.2 Structure – The Move to a Service Based Economy

The Glasgow City Region economy has evolved over the last 20 years into a primarily service-based economy. Over the last 20 years the GCR Service sector has increased GVA production by 116.1% in comparison to the Production sector's 21.4%¹⁷.

Gross Value Added (GVA): GVA measures the increase in value of the economy due to the production of goods and services. GVA can be used to measure regional and subregional economies and is derived from the measurement of Gross Domestic Product (GDP).

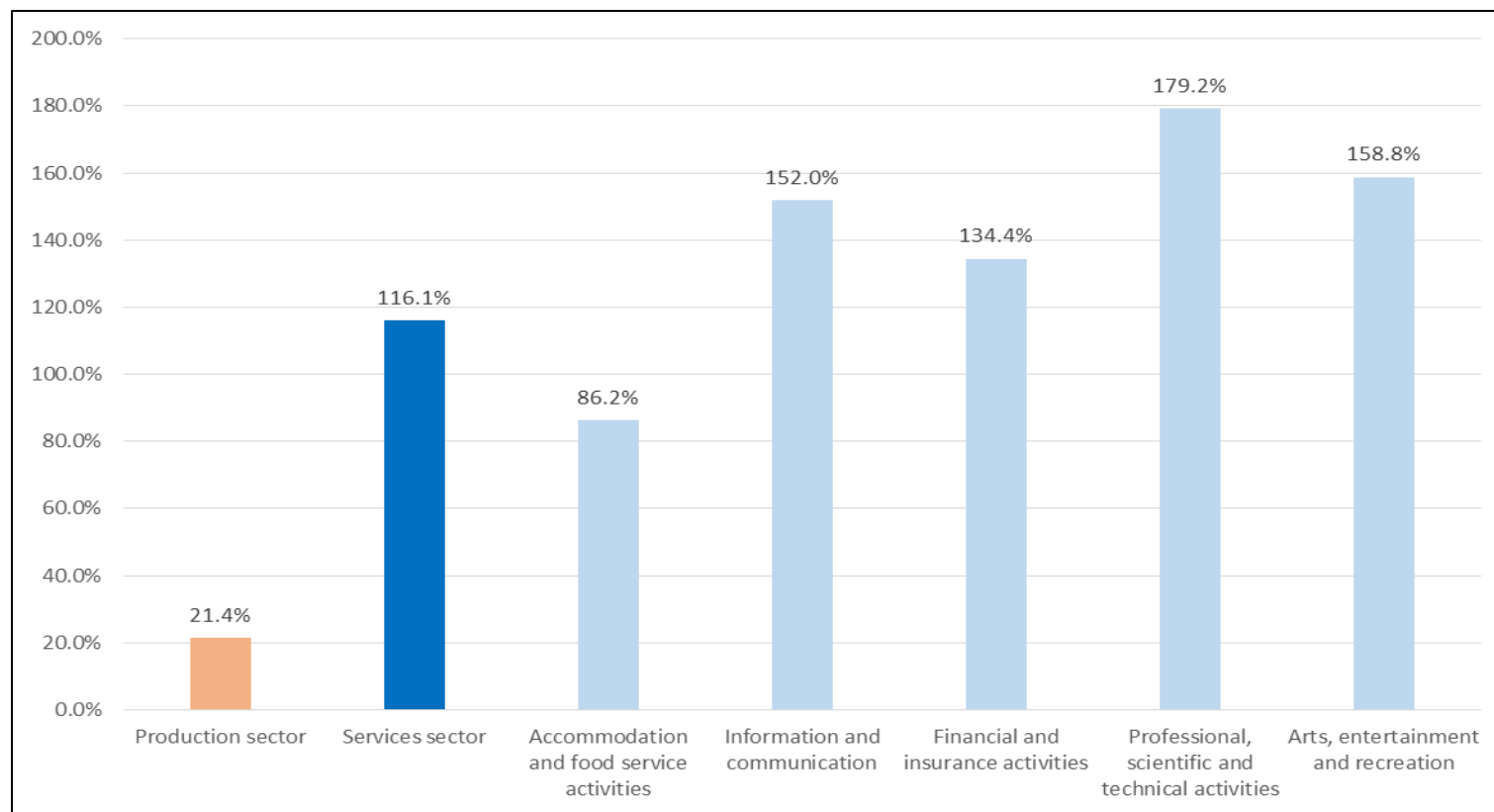


Figure 12 – GCR Industrial GVA % Change 1998-2018

¹⁷ ONS, [Regional Gross Value Added \(December 2019\)](#)

4.1.3 Structure – Scottish Government Growth Sectors

The Scottish Government defined six growth sectors within its Economic Strategy¹⁸ in which Scotland had a distinct competitive advantage:

- Food and drink (including agriculture and fisheries)
- Creative Industries (including digital)
- Sustainable tourism
- Energy (including renewables)
- Financial and business Services
- Life sciences

The latest data estimates that there were:

19,165 growth sector enterprises active in the GCR (2020), employing approximately 225,985 individuals (2018).

UK Comparison: GCR is estimated to have 161.7 growth sector enterprises per 10,000 of its working-age population, a relatively low rate when compared against the national figure of Scotland (234.9).

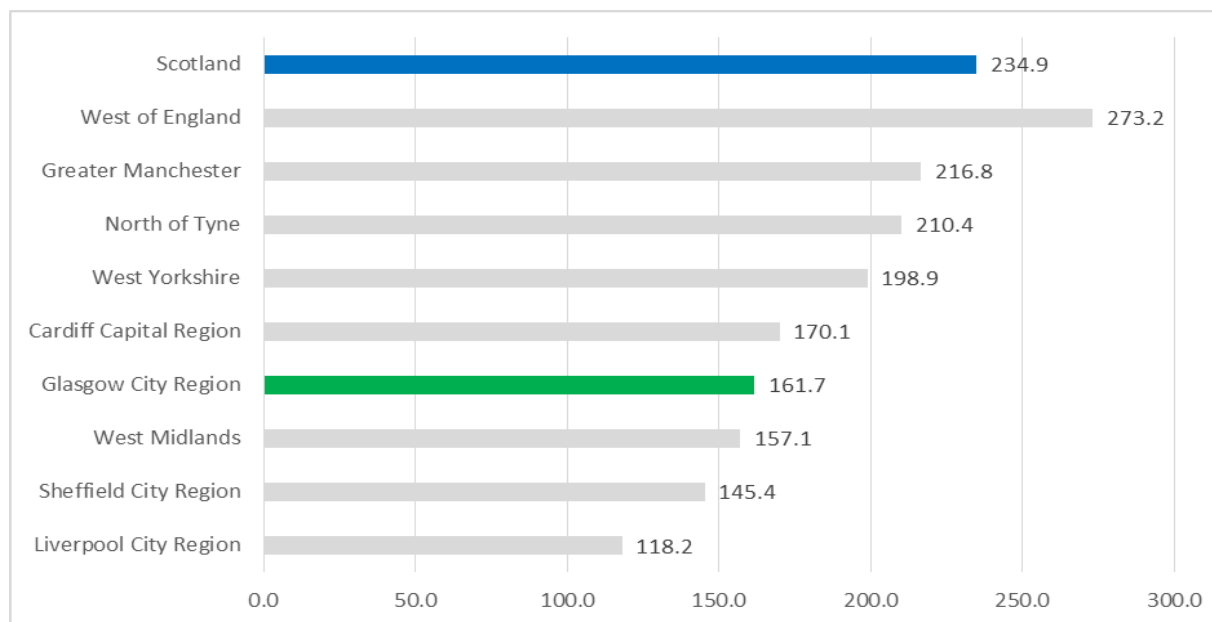


Figure 13 - Growth Sector Enterprises per 10,000 Population (16-64), 2020

¹⁸ Scottish Government, [Growth Sector Statistics](#)

4.2 JOBS

4.2.1 Jobs – Numbers

Jobs Growth: Over The last 3 years of observable data the total number of jobs in the GCR has increased to **855,000 (+0.5%)**.

The short-term jobs growth in GCR between 2016 and 2019 has been relatively weak in comparison to the other UK Core City Regions. GCR's growth rate of 0.5% was the lowest amongst the comparable geographies, resulting in it remaining the UK Core City Region with the 4th highest number of jobs.

4.2.2 Jobs – Shift-Share Analysis

A shift-share analysis has been conducted to investigate if GCR's relatively small job growth rate has been as a result of regional disadvantages, or overall downturns in the national economy and particular industries.

Regional Challenges: The analysis shows that the number of jobs in GCR grew by 4,000 between 2016 and 2019. However, if GCR had matched the job growth rate experienced across the rest of Great Britain, an additional 21,200 jobs could've been added to the economy. As national and industrial job growth cannot account for GCR's relatively weak increase in job numbers, it is inferred that GCR has regional disadvantages amongst some of its industries that have inhibited the level of short-term job growth.

Industries with Regional Advantages: On a positive note, there are several industries in which GCR has been found to have had a regional advantage, subsequently contributing to job growth.

Shown in Table 3, the high-value industries which experienced a positive Regional Shift include **Architectural and engineering activities, Financial and insurance activities, and Information and communication**.

Regional Shift measures the employment changes that can be attributed to an area's competitive advantage. These advantages are inferred as the growth in jobs observed within an industry cannot be explained by the industry, as a whole, growing at that level, or the national economy growing at that level.

Industry	Regional Shift in GCR employment 2016-2019	Total Change in GCR employment 2016-2019
Architectural and engineering activities	4,148	5,000
Education	4,047	4,000
Social work activities	2,260	3,000
Employment activities; tourism and security services	2,209	1,500
Financial and insurance activities	1,981	2,500
Civil engineering	1,851	1,000
Information and communication	1,823	3,350
Rental and leasing activities	1,570	2,000
Other professional, scientific and technical activities	1,236	1,500
Accommodation and food service activities	807	4,000
Office administration and business support activities	640	2,000
Manufacture of food, beverages, textiles and clothing	624	1,350
Public administration and defence	279	3,000

Table 3 – GCR Shift-Share Analysis

4.2.3 Jobs – Sectoral Differences

Analysing the last 3 years of available job data for the GCR shows that jobs in sectors associated with higher skill levels and higher wages has increased relative to the increase in jobs in low-skill/low-wage associated sectors. Industries such as Professional, Scientific, & Technical activities (+7.4%) and Information & Communication (+14.3%) have shown greater percentage increases in jobs than industries typically associated with low-skill/low-pay such as Retail (-5.0%) and Administration support services (+7.0%).

However, deeper analysis is required to understand what types of jobs are being created in these sectors. The skills required and wages paid are not universal across jobs within certain industries, therefore it is unfair to characterise an industry as having completely low-skill/low-wage jobs.

4.2.4 Jobs – Quality Jobs

In 2018, on a local pay basis, GCR was estimated to have the largest percentage of quality jobs amongst comparable UK City Regions, including the Greater London Authority¹⁹. ONS experimental statistics estimated that 67.3% of GCR's residents were in quality employment, categorised as having good hours, a desired contract type, and not in low pay.

Desired contract type: Employees with a desired contract range from 98% to 99% across UK City Regions, with no significant differences. In 2018, 98.6% of GCR's employees had a desired contract, an increase of 0.7% points from 2017.

¹⁹ ONS, [Job Quality Indicators](#)

Work-life-balance: In 2018, 83.2% of employees in GCR were working satisfactory hours (less than 48hrs a week and not considered underemployed), the highest across UK City Regions alongside West Midlands and Liverpool City Region, and higher than the Scottish average (81%). GCR has shown improvement in this metric since estimates in 2014 (80.4%). Nevertheless, there is gender disparity in 'work-life-balance'. The data shows that a higher percentage of female employees were working satisfactory hours in 2018 (86%) compared to males (80%).

4.2.5 Jobs – Employment Rate and Density

Employment Rate: The latest data, sourced from the Annual Population Survey (APS)²⁰ and covering the calendar year 2019, estimated that GCR had a relatively low working-age employment rate:

72.2%

In comparison, the Scottish and UK national levels were 74.8% and 75.6% respectively. The West of England's rate, 78.4%, was the highest employment rate amongst the comparable UK Core City Regions.

²⁰ NOMIS, [Annual Population Survey \(April 2020\)](#)

Employment Density: Another metric to understand the volume of relative jobs is employment density – which measures the number jobs per working age population.

In 2018, the jobs density in GCR was 0.79 per resident aged 16-64²¹. The highest rate amongst the UK Core City Regions was the West of England with 0.94, whilst Sheffield City Region is the lowest at 0.72. GCR's latest job density rate remained below the Scottish (0.82) and UK (0.89) national levels.

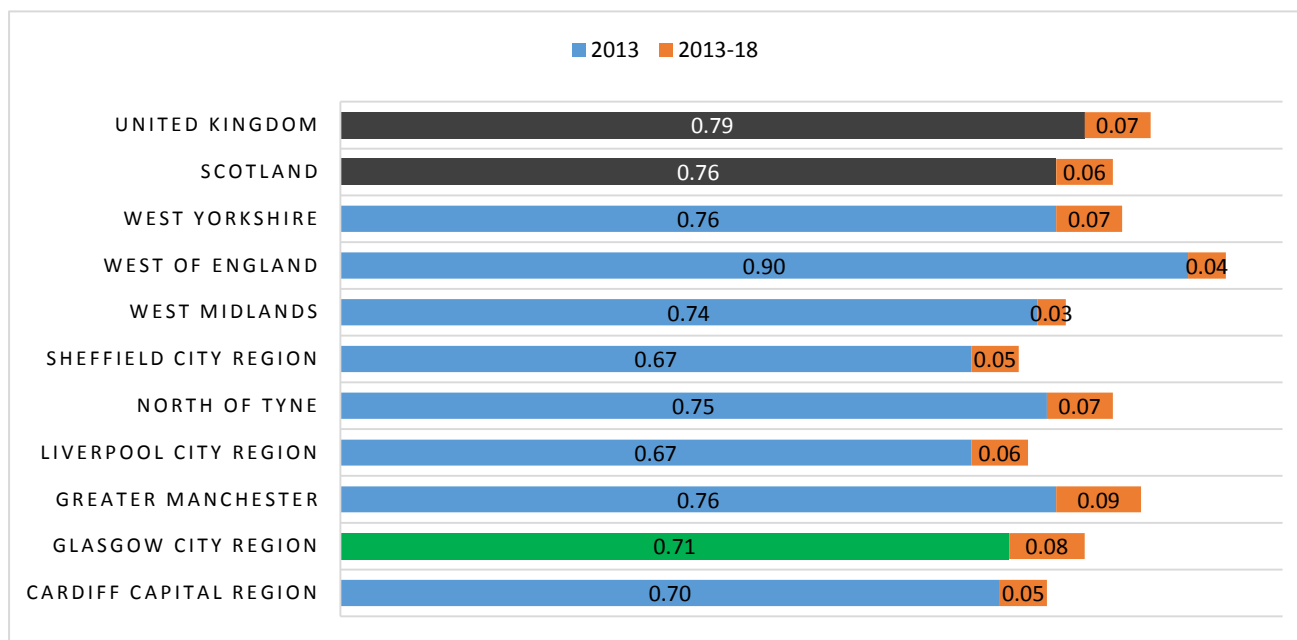


Figure 14 - Jobs Density

²¹ NOMIS, [Job Density \(January 2020\)](#)

4.2.6 Jobs – Unemployment Rate

The latest labour market statistics estimate that there were:

35,800 working-age individuals unemployed in GCR in 2019²².

Individuals are classed as unemployed if:

- they are without a job, but have been actively seeking work in the past four weeks and are available to start work in the next two weeks, or
- are out of work, but have found a job and are waiting to start it in the next two weeks.

The GCR's unemployment rate in 2019 was 4.0%, a 0.8% point improvement over the short-term (2016-2019).

Comparisons: GCR has the 2nd lowest unemployment rate amongst the comparable UK Core City Regions, but still underperforms when compared with the national figure of Scotland (3.5%).

The restrictions placed on some sectors in the economy as a result of the COVID-19 pandemic is likely to significantly impact these numbers. In August 2020, GCR's employment rate was estimated to have increased to 4.5%.

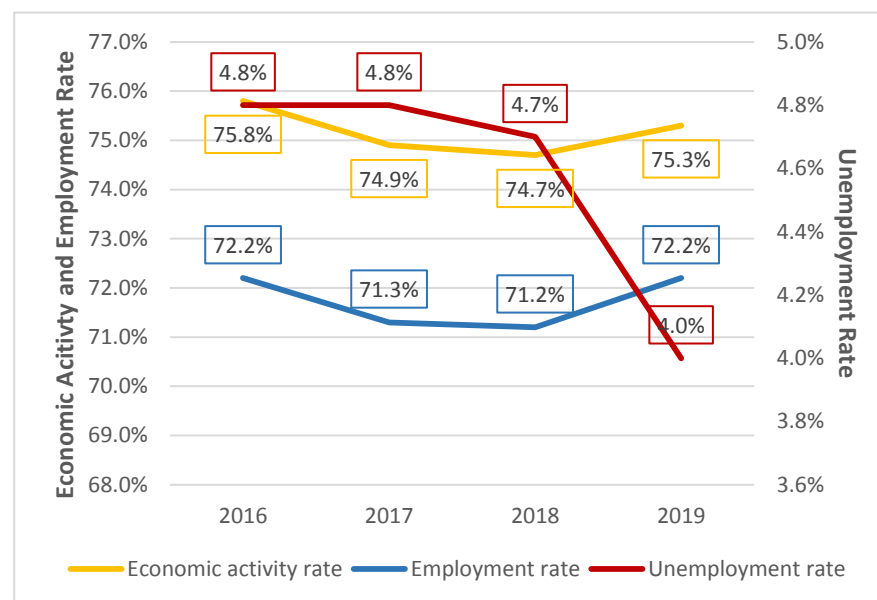


Figure 15 – GCR Labour Market Statistics 2016-2019

²² NOMIS, [Annual Population Survey \(April 2020\)](#)

4.2.7 Jobs – Economic Activity

Economic Activity is a measure of individuals that are actively seeking to contribute towards the paid economy. To quantify the working-age Economic Activity rate, the number of employed individuals are combined with those identified as unemployed.

With GCR's employment rate stagnant in the short-term, coupled with the decrease in its unemployment rate, it is understandable that the GCR's economic activity rate has declined by 0.5% points between 2016 and 2019²³.

4.2.8 Jobs – Economic Inactivity

As GCR's Economic Activity has declined in the short-term this is met by the region's Economic Inactivity rate increasing (+0.5% points) in the same time period²⁴. An individual is defined as economically inactive if they are not taking part in the labour market, for reasons such as being in ill health, being a full-time student, or being retired.

The GCR's economic inactivity rate has been one of the highest amongst the UK Core City Regions over the last decade, with the latest estimates for 2019 placing its rate of 24.7% as the 2nd highest behind the West Midlands (25.9%).

In the short-term, GCR was only one of two UK Core City Regions to experience an increase in economic inactivity, with the other being the North of Tyne (+0.8% points).

The APS estimates that approximately 293,200 working-age individuals are economically inactive within GCR.

Between 2016 and 2019 the short-term growth in economically inactive individuals in GCR has been driven by an increase in the number of full-time students.

If the number of full-time students were stripped out of the economically inactive population estimates, GCR's economic inactivity rate would've decreased over the last three years.

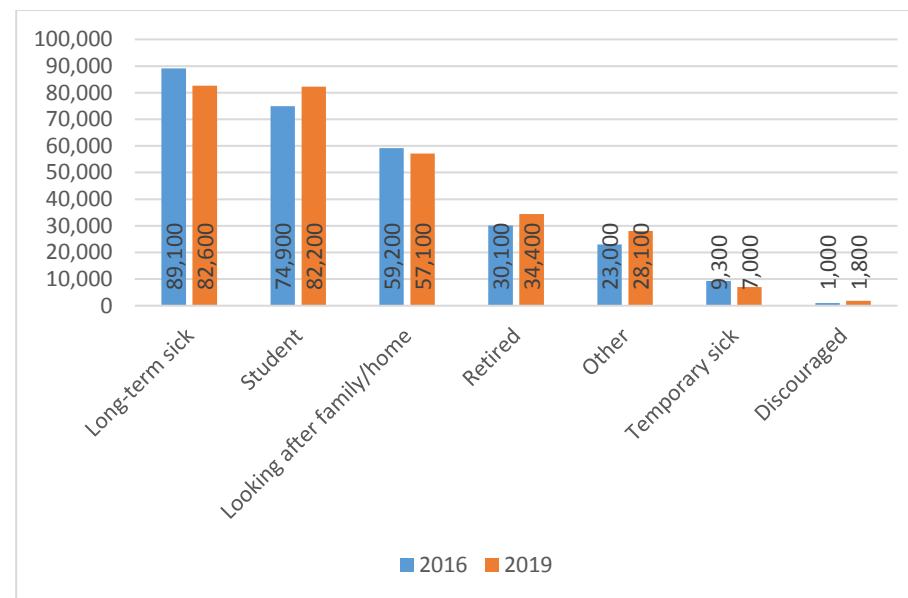


Figure 16 – GCR Working Age Inactivity by reason

²³ NOMIS, [Annual Population Survey \(April 2020\)](#)

²⁴ NOMIS, [Annual Population Survey \(April 2020\)](#)

4.2.9 Jobs – Senior Roles

When considering how successful the economy is, and its ability to generate well paid jobs, one metric to consider is:

the proportion of total occupations that are generally accepted to be both well paid and highly productive.

Using the Standard Occupation Codes (SOC), these occupations are defined as being managers, directors, or senior officials. In 2019, the UK's national rate for top occupations was 10.8%. GCR's rate was 8.5% in 2019 - 1.7% points behind the UK Core City Region Top Quartile (10.3%), and 0.8% points off of the Scottish national rate (9.3%)²⁵.

4.2.10 Jobs – Earnings

GCR residents have the highest median weekly earnings amongst the core UK City Regions.

Residence-based median weekly earnings in the GCR were estimated as 614.3 in 2020, a greater level of median earnings than the UK (£585.5) or Scottish (£595.0) national levels, and a 24.8% increase over the last decade²⁶.

Sourced from the Annual Survey of Hours and Earnings, it is estimated there are levels of income disparity within GCR. East Renfrewshire (£815.2) and East Dunbartonshire (£726.3) have significantly higher median earnings than that of West Dunbartonshire (£567.6) and Inverclyde (£575.5), which earn below the UK national median earnings estimate in 2020.

²⁵ NOMIS, [Annual Population Survey \(April 2020\)](#)

²⁶ ONS, [Annual Survey of Hours and Earnings \(2020\)](#)

4.2.11 Jobs – Low Pay

In 2018, 30.8% of GCR's workforce was employed in low pay sectors (such as food processing, hospitality and retail)²⁷

Core City Region Comparisons: GCR's proportion of low-paid workforce was the 3rd largest amongst the UK Core City Regions, and higher than the Scottish national proportion (29.6%). The proportion of GCR jobs in low paying sectors has increased in the short-term, increasing by 0.4% points from 2016 to 2019.

Living Wage: Even with comparably high resident earnings, the GCR has persistently been estimated as having over 10% of its employees earning below the Living Wage²⁸. In 2020 it was estimated that GCR had 11.7% of its employees (aged 18+) that earned below the Living Wage as defined by the Living Wage Commission.

GCR has been reducing the percentage of employees earning below Living Wage over the medium-term. Since 2015 GCR has experienced a 4.3% point decline in its percentage employees earning below the Living Wage, keeping it below the Scottish national rate of 15.2%.

²⁷ NOMIS, [Business Register and Employment Survey \(Oct 2020\)](#)

²⁸ Scottish Government, [Scottish Government ASHE Analysis \(2020\)](#)

4.2.12 Jobs- Time-Related Underemployment Rate

Impacted by Recession: Underemployment rates reflect people who are not working as many hours as they would like or are working in a position with a standard skill level that is lower than their acquired qualifications. Given the current circumstances, it anticipated that underemployment will increase in the short-term based upon previous trends.

The Rise of Non-Standard and Flexible Jobs: In 2019, the underemployment rate in GCR was 7.9%, slightly above the Scottish national rate (7.1%)²⁹. Underemployment has been prevalent in GCR since the late 2000s financial crisis, with the rise of non-standard and flexible jobs.³⁰

In the short-term GCR has experienced some improvement in reducing underemployment levels, decreasing by 1.9% points between 2016 and 2019 – the largest decrease amongst comparable Scottish City Regions.

4.2.13 Jobs – Gender

Gender: In 2019, the gender employment gap in GCR was 2.6% points, lower than the national levels of Scotland (6.3% points) and the UK (8.1% points)³¹. The Region has the 2nd lowest gender gap amongst the comparable UK's Core City Regions, just below North of Tyne (1.9% points). The Region has seen a steady decrease in the male-female employment gap in the last decade, with the fastest decrease occurring in the period 2016-2019 (-5.4% points).

²⁹ Scottish Government, [Scotland's Labour Market \(2019\)](#)

³⁰ Jobs and Skills in Scotland, Skills Development Scotland, 2017

4.2.14 Jobs – Age (Young and Old)

Young: In 2019, the employment rate of the 16-19 years old in GCR was the third highest (33.4%) of the UK's Core City Regions³². The employment rate of 20-24 years old was 63.6%, lower than the Scottish (69.3%) and UK national rates (67%), and the 25-49 year old employment was 80.5%, the 2nd lowest amongst the UK Core City Regions and lower than the Scottish national rate (83%).

This does not factor in the impacts of Covid-19, with data emerging that young people are being disproportionately impacted by unemployment.

Old: In 2019, the employment rate of the 50+ age group in the Region was 40.9%, ranking 3rd against the UK's Core City Regions with a significant increase in the period 2014-2019 (4.3%).

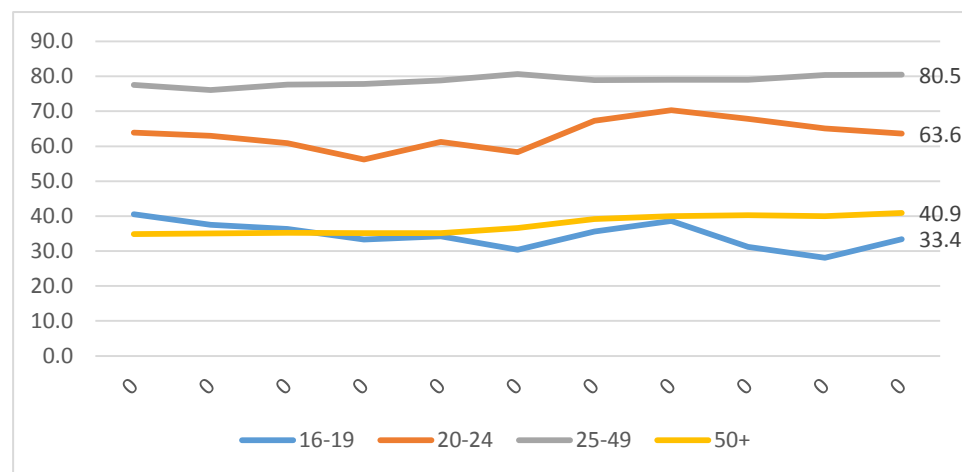


Figure 17 – GCR Employment Rates, by age, 2009-2019

³¹ NOMIS, [Annual Population Survey \(April 2020\)](#)

³² NOMIS, [Annual Population Survey \(April 2020\)](#)

4.2.15 Jobs – Future Opportunities

Advances in technological developments, such as automation, artificial intelligence and digitisation, will impact the world of work in the future. Moreover, as Scotland aims to achieve a net-zero target by reducing carbon emission across all sectors of the economy by 2045, the labour market is expected to be affected as the economy moves towards greater sustainability. Brexit is a further factor that is expected to exacerbate economic and labour market challenges.

Industry Requirements: According to Skills Development Scotland's employment forecasts³³, provided by Oxford Economics, the Glasgow City Region is expected to see 124,700 job openings from 2020-2023. Although only 15,700 are due to expansions. The remainder is expected to be replacement demand e.g. due to retirements.

It should be noted that Oxford Economics forecasts were calculated whilst accounting for COVID-19 impacts, but the potential impacts of Brexit have not been forecasted.

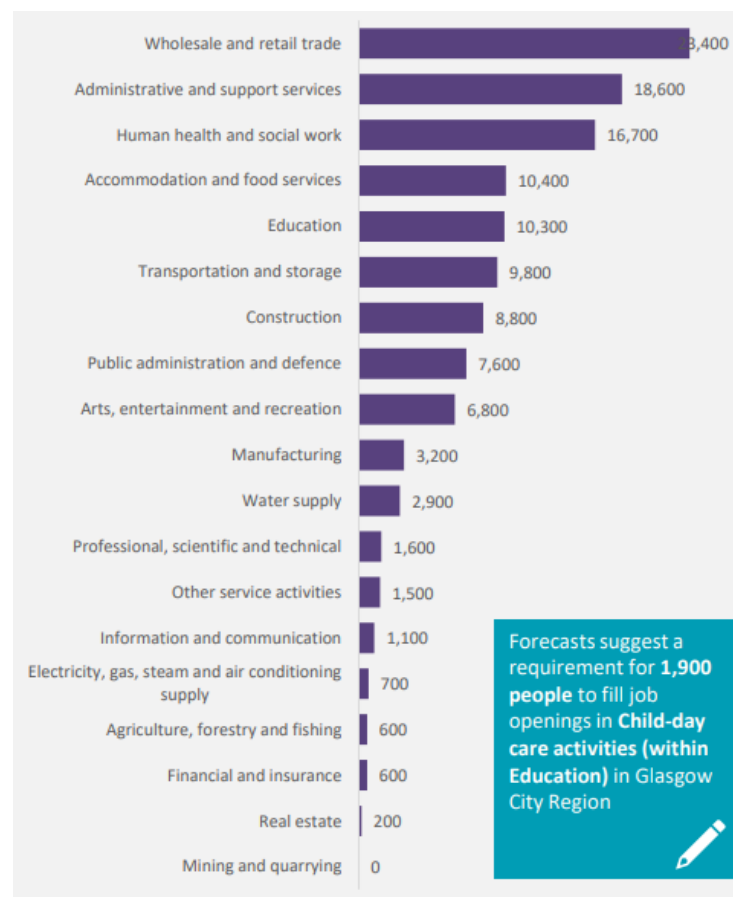
Public Sector Employment: The forecasts for 2020-2023 show that there will be an ongoing requirement to fill job positions in the public sector – with 31,400 position to be filled, 93% of which accounting for replacement demand).

Occupational Demand: The occupations that are expected to see the highest growth in this period from expansion demand are;

- Caring Personal Service Occupations (2,100)
- Corporate Managers (1,400)
- Culture, Media and Sports (1,300)
- Business and Public Service Professionals (1,200)

- Elementary Occupations: Clerical and Services (1,100)
- Health Professionals (1,100)

SDS REPLACEMENT BY INDUSTRY 2020-2023



Source: SDS Glasgow City Region RSA Jan 2021

³³ SDS, [Regional Skills Assessment Glasgow City Region \(Jan 2021\)](#)

4.3 SKILLS

4.3.1 Skills – Degree-level Qualifications

During 2019, the Region's population educated to a degree-level or above, represented by National Vocational Qualification (NVQ) Level 4+, was approximately 42.3%³⁴.

Relative Comparisons:

GCR's rate was higher than the UK average (40.2%), but lower than the Scottish average (45.3%), with the Region ranked 2nd of the UK's Core City Regions.

4.3.2 Skills – No Qualifications

Despite a 4% point decrease in the last decade, GCR continues to have higher levels of residents with no qualifications (13.2%) than the Scottish national rate (9.8%)³⁵.

GCR has the 2nd highest proportion of individuals with no qualifications amongst the UK's Core City Regions and has a rate approximately three times higher than the best performing city region, the West of England (4.4%). In a recent report by the Centre for Cities, the biggest challenge to levelling up in Glasgow (the analysis cover most of the region but not all) – is skills³⁶.

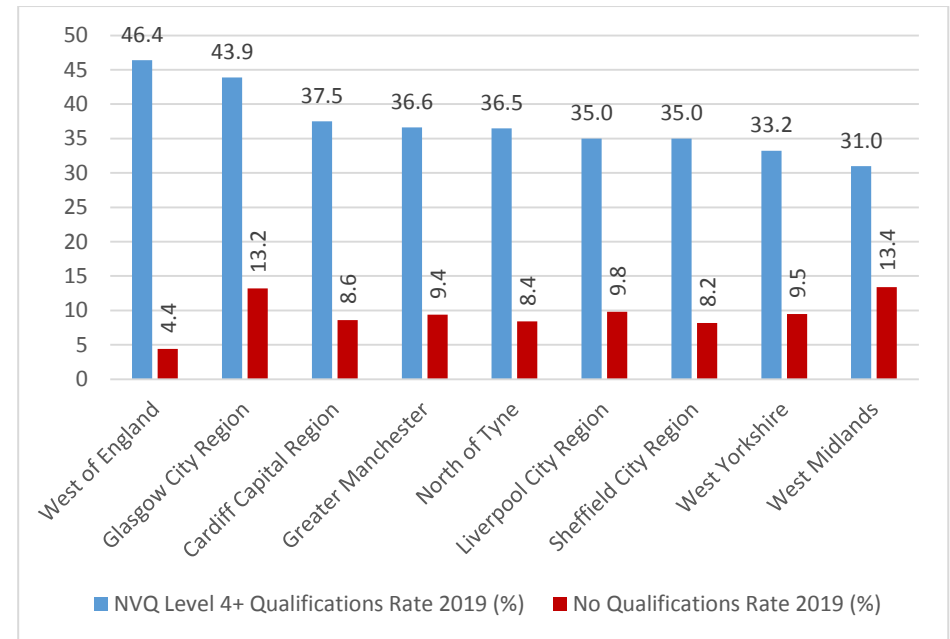


Figure 18 - Educational Attainment Rates 2019

³⁴ NOMIS, [Annual Population Survey \(April 2020\)](#)

³⁵ NOMIS, [Annual Population Survey \(April 2020\)](#)

³⁶ Centre for Cities, [Levelling Up](#)

4.3.3 Skills – Future Skills Demands

Mid Term Demand: The forecasts for the mid-term (2020-2023) suggest that there will be higher demand for people with NVQ level 4+ qualification to fill positions in administration and support services, retail and health and social care sectors.

Latest Job Posting Data: Job posting data from September and October 2020 highlight that, in addition to job-specific skills, employers within the Region are seeking softer skills as well as technical skills. Covid-19 has also highlighted the importance of digital skills.

SCQF 11-22	SCQF 7-10	SCQF 6	SCQF 5	SCQF 1-4	No Quals
8,500 (7%)	57,400 (46%)	16,500 (13%)	25,800 (21%)	6,000 (5%)	10,400 (8%)

Glasgow City Region Education level requirement 2020-2023 (Source: SDS)

4.4 BUSINESS BASE

4.4.1 Business Base

There are almost 50,000 businesses in the region in 2020 – the fourth largest amongst the UK Core City Regions³⁷.

Relative Growth: In comparison to national and UK Core City Region averages, the growth of businesses in GCR over the last 3 years has been quite good. But, looking over a longer period, the trends are not as positive. Greater Manchester, West Midlands and Liverpool City Region have performed significantly better over the last five and ten years.

Core City Region	2020	3 Year % Change	5 Year % Change	10 Year % Change
Greater Manchester	104,550	4.0%	20.7%	43.9%
West Midlands	91,150	2.5%	19.8%	39.3%
Liverpool City Region	43,160	3.5%	15.0%	37.6%
West Yorkshire	79,760	4.5%	12.8%	36.1%
Sheffield City Region	39,455	1.2%	13.4%	32.8%
West of England	37,450	2.9%	10.6%	32.0%
Glasgow City Region	49,905	3.5%	11.2%	31.2%
United Kingdom	2,749,700	3.0%	12.3%	30.9%
Cardiff Capital Region	43,475	2.9%	11.8%	29.5%
North of Tyne	24,950	2.8%	8.9%	25.8%
Scotland	177,695	1.8%	5.6%	22.9%
above average				

Table 4 - UK Core City Region Enterprise Rates 2020

³⁷ NOMIS, [Business Counts 2020](#)

4.4.2 Business Base Per Capita

When measured on a per capita basis (enterprises per 10,000 aged 16-64) GCR's rate is 412.2, the lowest business base rate amongst comparable regions³⁸.

GCR's rate has grown by 90.8 points over the last decade, the lowest increase among comparable city regions as shown in Table 5. GCR had the 4th largest increase in the short-term (2017-2020), but, as shown in the overall business base growth rate in Table 4, other areas such as Greater Manchester and Liverpool continue to have a much larger enterprise base.

Future Concerns: A lack of growth clearly reduces the chances of a globally competitive firm being started locally. Perhaps more concerning though are the challenges this may cause for an economy looking to resolve the economic downturn caused by Covid-19.

City Region	2020	10 Year % Point Change
Greater Manchester	579.8	163.6
West Yorkshire	544.6	137.7
Liverpool City Region	441.5	120.0
West Midlands	493.9	114.5
West of England	604.6	108.4
Sheffield City Region	443.0	99.4
Cardiff Capital Region	448.5	96.8
North of Tyne	475.4	93.3
Glasgow City Region	412.2	90.8

Table 5- UK Core City Region Enterprise Rates per Capita 2020

³⁸ NOMIS, [Business Counts 2020](#)

4.4.3 Business Base – By Sector and Size

The GCR business base is predominately made up of very small businesses:

- **87.4% employ less than 10 people (micro)**
- **10.4% employ 10 to 49 people (small)**
- **1.8% employ 50 to 250 people (medium)**
- **0.35% employ over 250 people (large)**

The majority of enterprises are service based businesses, with almost 70% of all businesses are micro service-related activities. This number has grown over the last 10 years, see Table 6 - Business Base by Size

Importance of Large Businesses: Whilst there are relatively few large businesses in GCR, they are important.

In 2019, large businesses employed 366,000 – 43% of all jobs in the regions³⁹.

A breakdown of large business by employment and sector is not currently available. However, the number of large businesses by sector are:

- Business Admin & Support Services (0.06% of all businesses in GCR)
- Health (0.06% of all businesses in GCR)
- Manufacturing (0.05% of all businesses in GCR)
- Transportation & Storage (0.04% of all businesses in GCR)
- Construction (0.04% of all businesses in GCR)

2010										
	Micro (0 to 9)		Small (10 to 49)		Medium-sized (50 to 249)		Large (250+)			
Services	66.7%		9.1%		1.4%		0.34%			
Production	0.3%		0.1%		0.0%		0.00%			
Manufacturing	4.3%		1.2%		0.4%		0.09%			
Construction	11.6%		1.4%		0.3%		0.04%			
Agriculture	2.7%		0.1%		0.0%		0.00%			
Total	85.5%		11.9%		2.1%		0.47%			

2020										
	Micro (0 to 9)		Small (10 to 49)		Medium-sized (50 to 249)		Large (250+)			
Services	69.2%		8.5%		1.3%		0.26%			
Production	0.4%		0.1%		0.0%		0.00%			
Manufacturing	4.4%		0.8%		0.3%		0.05%			
Construction	11.3%		1.0%		0.2%		0.04%			
Agriculture	2.0%		0.1%		0.0%		0.00%			
Total	87.4%		10.4%		1.8%		0.35%			

Table 6 - Business Base by Size

Green - % has grown over last 10 years.

Red - % has decreased during that period.

³⁹ Scottish Government, [Business in Scotland \(2019\)](#)

4.4.4 Business Base – Service Sector

As noted in 3.1.2, the economy is predominately service based. This is evident in the proportion of businesses that are service-based, accounting for almost 80%.

Over the past 10 years, the number of micro businesses has grown. Of interest, some of these are in the higher value sector such as

- *Information and Communication (74% growth)*
- *Professional, Scientific and Technical (50% growth)*

	Micro (0 to 9)		Small (10 to 49)		Medium-sized (50 to 249)		Large (250+)	
	2010	2020	2010	2020	2010	2020	2010	2020
5 : Motor trades (Part G)	2.6%	2.6%	0.3%	0.2%	0.0%	0.0%	0.00%	0.00%
6 : Wholesale (Part G)	3.9%	2.8%	0.8%	0.6%	0.1%	0.1%	0.00%	0.01%
7 : Retail (Part G)	10.7%	8.7%	0.8%	0.8%	0.1%	0.1%	0.03%	0.02%
8 : Transport & storage (inc postal) (H)	3.0%	3.7%	0.4%	0.3%	0.1%	0.1%	0.03%	0.02%
9 : Accommodation & food services (I)	6.7%	6.1%	1.6%	1.9%	0.2%	0.2%	0.01%	0.01%
10 : Information & communication (J)	5.1%	6.7%	0.3%	0.3%	0.0%	0.1%	0.01%	0.01%
11 : Financial & insurance (K)	1.6%	2.1%	0.2%	0.1%	0.0%	0.0%	0.01%	0.01%
12 : Property (L)	3.7%	3.6%	0.3%	0.3%	0.0%	0.0%	0.00%	0.00%
13 : Professional, scientific & technical (M)	13.2%	15.2%	1.2%	1.0%	0.2%	0.2%	0.03%	0.01%
14 : Business administration & support services (N)	5.0%	6.6%	0.7%	0.7%	0.2%	0.2%	0.07%	0.06%
15 : Public administration & defence (O)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.01%	0.01%
16 : Education (P)	0.9%	1.0%	0.2%	0.2%	0.1%	0.0%	0.07%	0.02%
17 : Health (Q)	2.8%	2.8%	1.4%	1.3%	0.3%	0.2%	0.05%	0.06%
18 : Arts, entertainment, recreation & other services (R,S,T and U)	7.5%	7.4%	0.8%	0.8%	0.1%	0.1%	0.03%	0.02%
Total	66.7%	69.2%	9.1%	8.5%	1.4%	1.3%	0.3%	0.3%

Table 7 - Service Sector Businesses by Size (of Total Business Base)

4.5 ENTREPRENEURSHIP

4.5.1 Entrepreneurship – Business Births & Deaths

The ONS' Business Demography⁴⁰ release quantifies the number of businesses that have been formed in a calendar year – as well as the number that have ceased trading, and sources the estimates from administrative unit VAT/PAYE records.

The latest data, covering 2018, estimates that 7,175 new enterprises were formed in the Glasgow City Region, whereas 6,700 ceased to trade. Using population (16+) as a denominator, a rate can be quantified to compare the GCR with national figures and comparable UK Core City Regions. **For every 10,000 of the GCR's population (16+) there were approximately 47.2 enterprises birthed, and 44.1 enterprise closures.**

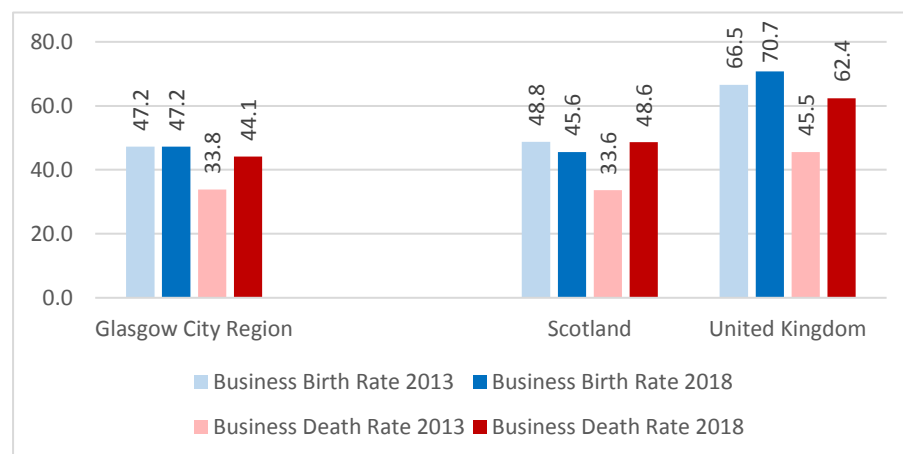


Figure 19 – Business Demography 2013-2018

⁴⁰ ONS, [Business Demography \(Nov 2020\)](#)

Relative Performance:

The GCR's rate of enterprise birth performs relatively poorly in comparison with the other UK Core City Regions.

Business Births: In 2018 the GCR's rate was the 2nd lowest, ahead of North of Tyne (45.6), and below that of the UK average (70.7). It should be noted that the GCR's business birth rate actually exceeds that of the Scottish average (45.6), suggesting that there may be entrepreneurial challenges within the Scottish economy not experienced elsewhere in the UK. Over the last 5 years the business birth rate in Scotland decreased by 3.2% points, whereas the UK's increased by 4.2% points.

Business Closures: In terms of enterprise closures, the GCR performs more robustly when compared with other geographies. GCR's rate of 44.1 was the 2nd lowest rate amongst the UK Core City Regions whilst also outperforming the national rates of Scotland (48.6) and the UK (62.0). However, this is not necessarily a relative strength as it should be noted that it has a relatively small business base – see 3.4.2

4.6 INNOVATION

4.6.1 Innovation – Patents

Patent data from the Centre for Cities – Cities Outlook 2019 show that in 2018, there were 4.5 patent applications per 100,000 of the population in Glasgow (CFC defines Glasgow as an aggregate of five local authorities – East Dunbartonshire, East Renfrewshire, Glasgow City, Renfrewshire, West Dunbartonshire)⁴¹. Glasgow has the weakest performance amongst comparable geographic areas in the UK outside of London.

4.6.2 Innovation – R&D

Scottish Government's Business Expenditure in Research and Development (BERD) release has recently been updated to include estimates of employment in R&D activity alongside the estimates of total R&D investment to a local authority level⁴².

In 2019 it was estimated that £204.7 of business expenditure in R&D was spent in Glasgow City Region per head of working-age population. This fell behind competing Scottish City Regions such as Aberdeen (£321.8) and Edinburgh & SE Scotland (£526.9), but GCR had the largest percentage increase in business R&D expenditure over the last 4 years (+81.3%)

The increase in expenditure in R&D has translated into an increase in the employment in R&D in GCR, increasing from approximately 3,000 in 2015 to 3,500 in 2019. The level of employment in R&D in GCR is the 2nd largest amongst Scottish City Regions, behind Edinburgh & SE Scotland.

⁴¹ Centre for Cities, [Cities Outlook 2019](#)

⁴² Scottish Government, [Business Expenditure in R&D](#)

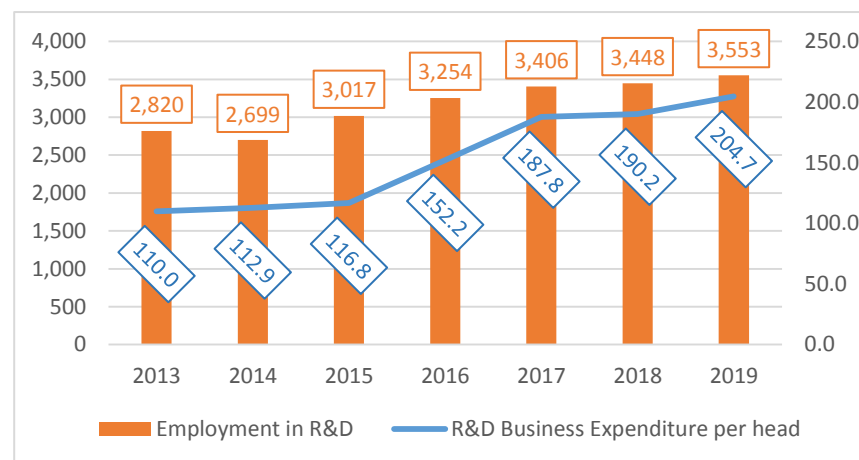


Figure 20 – GCR Research and Development Activity, 2013-2019

Business Dynamism: It can be argued that the culmination of GCR's low business birth rate, coupled with its' low business death rate, has resulted in a level of low business dynamism within the Region.

An area's business dynamism impacts upon its employment, productivity, and innovation, with low levels of enterprises creation/destruction being associated with weak, or stagnated, productivity and wage growth.

The ONS' experimental data on business dynamism⁴³, at a UK level, suggests that business dynamism has been in decline since the late 2000s recession. Although not totally attributable, low levels of business dynamism could be a cause of GCR's relatively low growth in innovation and productivity measures.

⁴³ ONS, [Business Dynamism](#)

4.7 PRODUCTIVITY

4.7.1 Productivity – Total GVA

Total economic production in the Glasgow City Region, measured through Gross Value Added (GVA), was estimated as £42.9bn in 2018, the 4th largest Core City Region economy in the UK⁴⁴.

GVA is the most commonly used measurement of the success of local and regional economies.

GVA Growth: GCR's GVA growth rate has not been as impressive as its competitors in the long-term. Over the last 10 years GCR's GVA grew by 25.2%, the lowest growth rate amongst the nine UK Core City Region comparators, and below the national rates of growth observed in Scotland (+26.4%) and the UK (+32.7%).

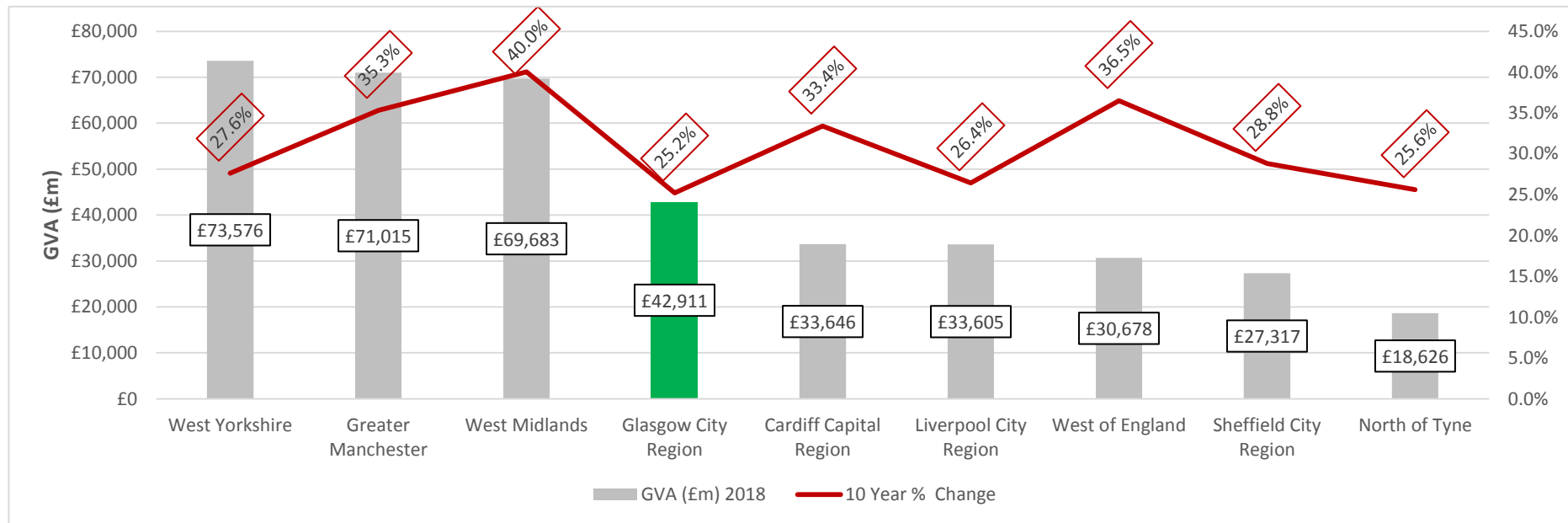


Figure 20 - UK Core City Region GVA Growth, 2008-2018

⁴⁴ ONS, [Regional Gross Value Added \(December 2019\)](#)

GCR continues to lag behind when observing the latest short-term data – recording a 10.2% increase, in comparison to the top quartile of city region’s increasing by, on average, 12.1%.

Industrial Contribution: Of the £42.9bn of GVA generated in the GCR the largest industrial contributors were the Human Health and Social Care sector (£4.9bn), the Real Estate sector (£4.8bn), and the Wholesale & Retail sector (£4.4bn).

In the short-term the majority of industries within the GCR have been improving their total economic output. However, both the Arts, entertainment, and recreation sector and the Education sector have been estimated to have contracted their economic output over the last three years.

As with employment, GVA has been significantly impacted by Covid-19. Further details can be found in section 3.8 -

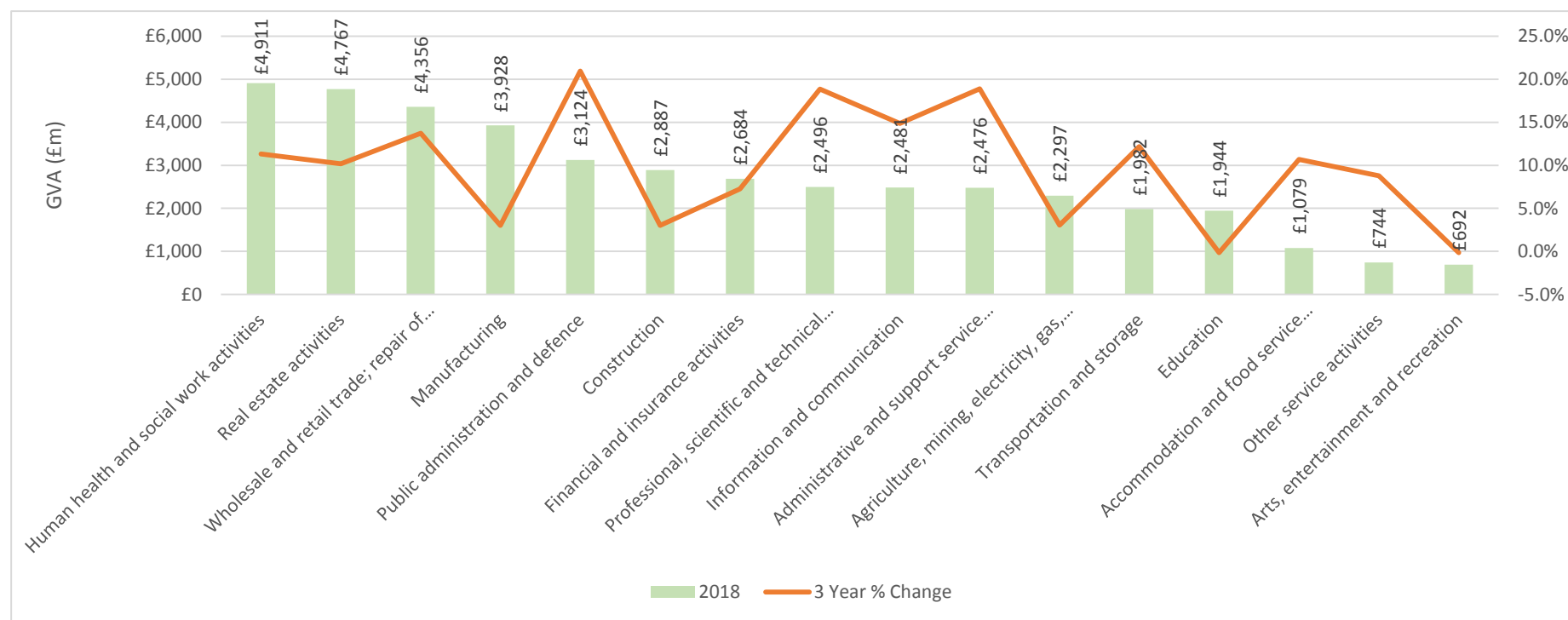


Figure 21 - Glasgow City Region Industrial GVA Growth, 2015-2018

4.7.2 Productivity – GVA per Hour Worked

Glasgow City Region's relatively weak economic growth in the long-term is reflected in its productivity levels – measured through GVA per hour worked. GVA per hour worked is the preferred method of quantifying productivity as suggested by the ONS⁴⁵.

The latest data for 2018 estimates that:

GCR had the 3rd lowest productivity amongst the comparable UK Core City Regions, in addition to having the weakest short-term growth in productivity over the last 3 years (+4.9%).

It is important to consider that the majority of the UK's core city regions are underperforming in terms of productivity when compared with national estimates. UK Core City Region's historic socioeconomic issues such as disparate wages, educational attainment, and instances of deprivation, exacerbate the challenges of increasing productivity levels. It also creates a potential issue when considering how region will bounce back from the economic impacts of Covid-19.

Core City Region	GVA Per Hour Worked
West of England	£ 35.03
United Kingdom	£ 35.03
Scotland	£ 33.84
Liverpool City Region	£ 32.11
West Midlands	£ 32.07
Cardiff Capital Region	£ 31.54
Greater Manchester	£ 31.20
West Yorkshire	£ 30.19
Glasgow City Region	£ 30.02
North of Tyne	£ 29.57
Sheffield City Region	£ 28.66

Table 8 - GVA per Hour Worked 2018

⁴⁵ ONS, [Subregional Productivity \(February 2020\)](#)

4.8 COVID-19 AND THE ECONOMY

GDP Impacts: The economy has taken a major hit in this financial year. *The Service sector in Scotland has shown growth to September but was still -8.9% on the production levels recorded 12 months previously*⁴⁶. Breakdown of Service industry impacts are available in Table 9. These don't account for the latest lockdown measures and unfortunately, those industries which have been hardest hit already, will continue to be impacted.

Potential Unemployment Impacts: Whilst the claimant count data has clearly risen, as shown in 2.2.2., the unemployment impacts are only beginning to show. The Office of Budget Responsibility (OBR) developed unemployment forecasts in November 2020⁴⁷, which begin to take account of the vaccine impacts and the extension of the Coronavirus Job Retention Scheme. OBR modelled a range of scenarios and has significantly revised down its unemployment impacts from a previous peak of around 12% across the UK (FRS Central Scenario), to approximately 7.5% (November Scenario).

It is difficult to project UK analysis on to the City Region economy as the structure of the local economy is different to that of the national. But, if this was to happen regionally, then there would be approximately 30,000 additional unemployed individuals in the coming months. See Figure 22.

This potential increase in unemployment is substantial considering that unemployment stood at 35,000 at the start of the year. This is less than was feared a few months ago, and such a level of peak unemployment would end up being less than any recession since the 1970s.

⁴⁶ Scottish Government, [Monthly GDP estimates \(Nov 2020\)](#)

Service Industries	GCR Enterprises (2020)	GCR Jobs (2019)	GDP Change – Sept 2019-20
Wholesale and retail trade; repair of motor vehicles and motorcycles	7,945	115,000	-3.1%
Transportation and storage	2,090	37,000	-20.3%
Accommodation and food service activities	4,080	57,000	-30.4%
Information and communication	3,525	32,000	-11.2%
Financial and insurance activities	1,110	34,000	-1.8%
Real estate activities	1,940	15,000	+0.1%
Professional, scientific and technical activities	8,140	58,000	-5.7%
Administrative and support service activities	3,765	92,000	-15.4%
Public administration and defence; compulsory social security	10	58,000	+0.1%
Education	640	65,000	-5.7%
Human health and social work activities	2,200	138,000	-13.9%
Arts, entertainment and recreation	1,205	21,000	-24.0%
Other service activities	2,890	14,000	-30.3%

Table 9 – September 2020 GDP Change

⁴⁷ OBR, [Economic and Fiscal Outlook \(Nov 2020\)](#)

4.9 THE ECONOMY AND GCR CITY DEAL

Nevertheless, certain industries and low paid workers, will undoubtedly take the biggest hits. It is important that projects like the City Deal are brought forward to offer alternative employment opportunities.

As outlined by the International Monetary Fund⁴⁸;

“Public investment can play a central role in the recovery, with the potential to generate, directly, between 2 and 8 jobs for every million dollars spent on traditional infrastructure....”

They also suggest the need to speed up pipeline projects.

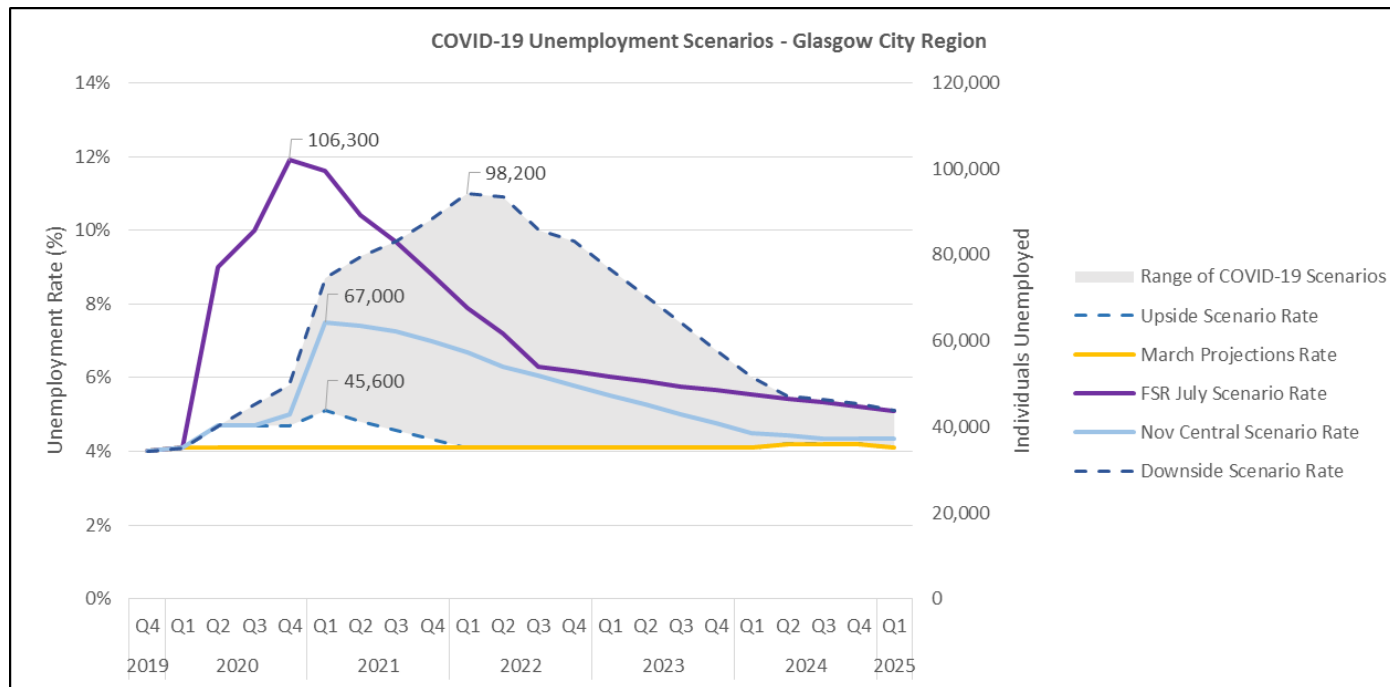


Figure 22 – Unemployment Scenarios (at November 2020)

⁴⁸ International Monetary Fund, [Public Investment for the Recovery \(Oct 2020\)](#)

5 Place and the Environment

This section provides an overview of the physical assets that are to the GCR economy, as well as the challenges that are presented by its physical environment. The section covers the following factors:

- Large Urban Centres
- Housing
- Vacant and Derelict Land
- Infrastructure
- Transport
- Digital
- Environment
- Place Attractiveness

5.1 URBAN CENTRES

5.1.1 Urban Centres – Large Urban Areas

Nationally Important: The Glasgow City Region accounts for approximately one third of the Scottish population.

Half of the ten most populous localities in Scotland are situated within the region.

Dominance of Urban Areas: The ten largest settlements within the region accommodate almost 60% of the region's total population. Although, as noted in Figure 23 - GCR's 10 Largest Urban Areas, Glasgow dominates, and is almost eight times the next largest place – Paisley⁴⁹.

5.1.2 Urban Centres – Importance of the Clyde

River Clyde as the Spine: as shown in **Error! Reference source not found.**, the key centres for activity tend to be concentrated on or around the Clyde.

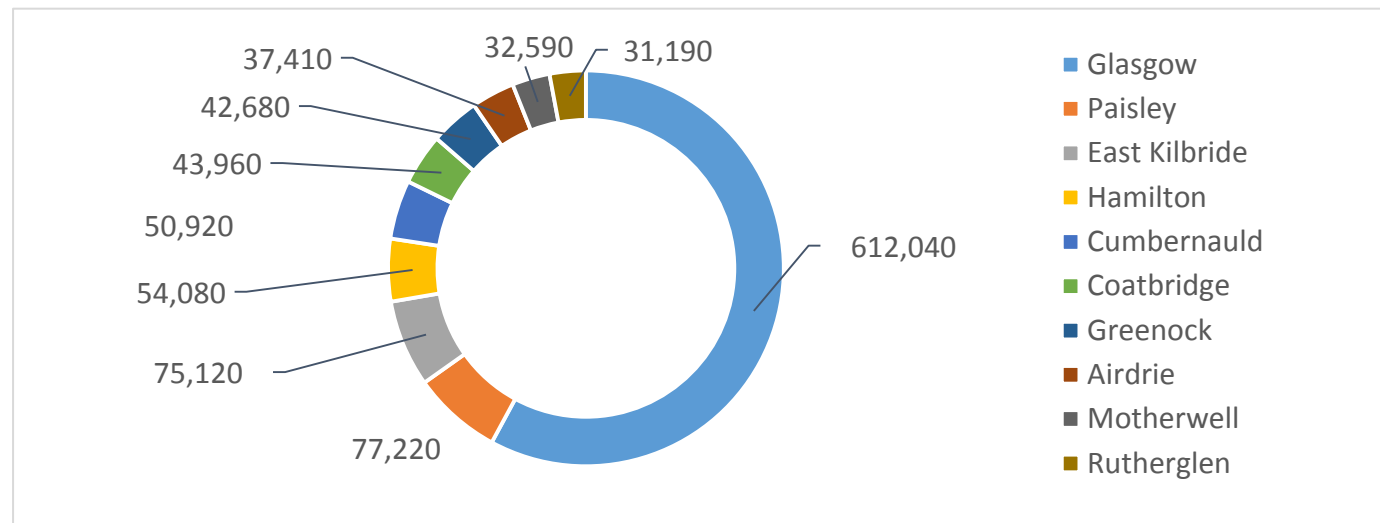


Figure 23 - GCR's 10 Largest Urban Areas

⁴⁹ Transport Scotland, [Case for Change – Glasgow City Region STPR2](#)

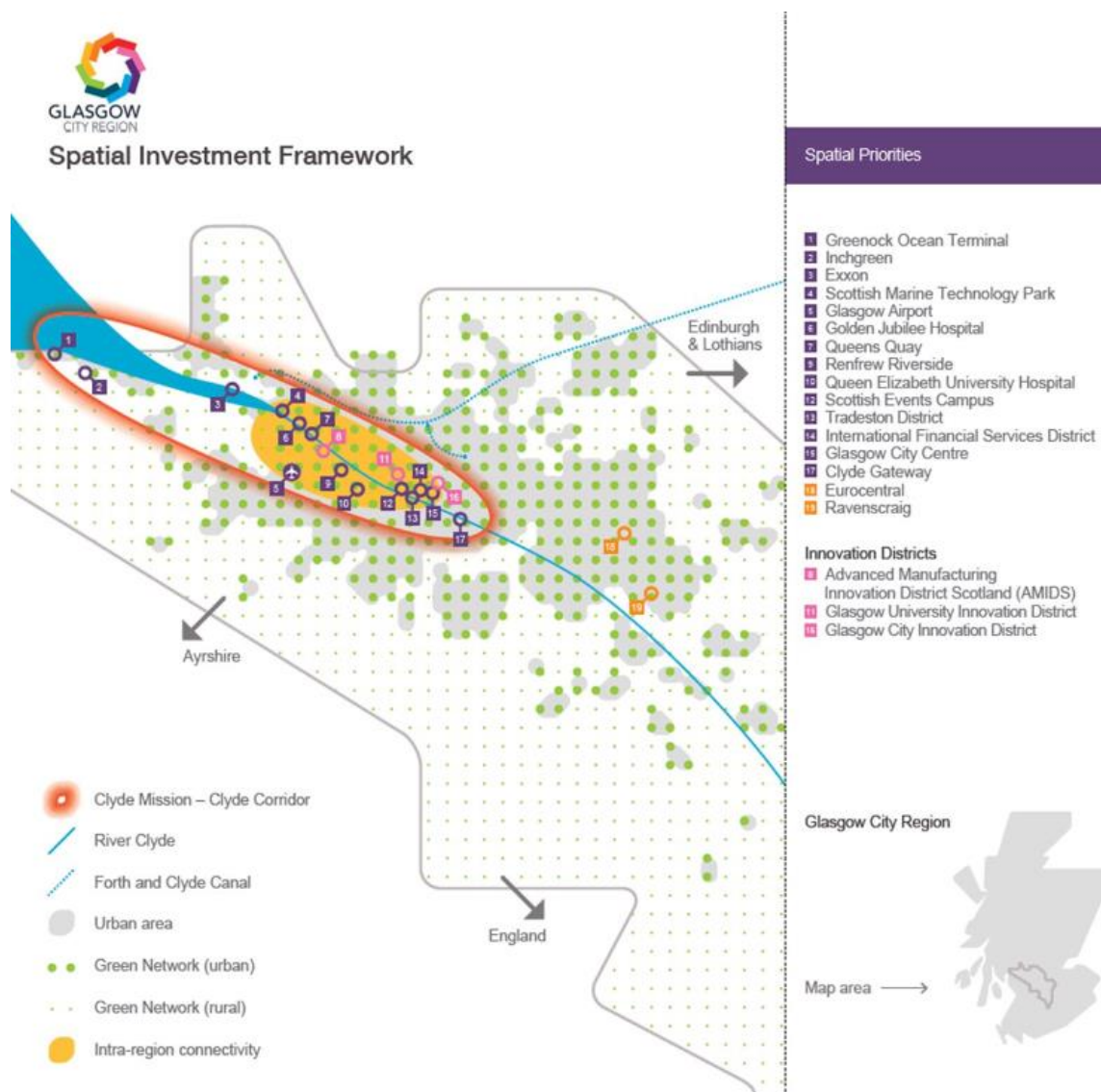


Figure 24 – GCR Indicative Regional Spatial Strategy – Investment Framework

5.2 HOUSING

5.2.1 Housing - Households

It is estimated that in 2019 there were 847,399 households within the City Region⁵⁰.

As noted in 3.1.5, household projections show that by 2043 there is to be around 921,117 households in GCR.

Household estimates are dependent on the outcome of GCR's Housing Needs Demand Assessment, which is currently being developed by the GCR Housing Market Partnership.

5.2.2 Housing – Housing Stock

In 2019, there were 882,846 houses in GCR, a 1.9% increase since 2016 and a 7.4% increase since 2014.

With the latest 2019 data, GCR ranks 4th from the UK's Core City Regions. Despite the sustained upward trend, GCR's housing stock has been increasing at a slower rate than other Core City Regions. The Household Need Demand Assessment (2018) estimates the need for approximately 91,815 new homes in the next 20 years.

5.2.3 Housing – Affordability

The City Region has the most relatively affordable housing markets across the UK's Core City Regions.

From 2008 to 2018, affordability, when measured based on median house prices⁵¹ versus gross disposable household income per head⁵², improved across the Region. It dropped from a ratio of 8.0 to 7.3 and is lower than the Scottish average of 7.8. GCR's has the most affordable housing market in terms of home buying across the comparator Regions.

Core City Region	Median House Price	Gross Disposable Household Income per head	Affordability Ratio 2018
Glasgow City Region	£135,451	£18,451	7.3
Liverpool City Region	£148,979	£17,430	8.5
Sheffield City Region	£143,261	£16,541	8.7
North of Tyne	£166,625	£17,455	9.1
West Yorkshire	£163,556	£17,309	9.4
Greater Manchester	£168,893	£17,511	9.6
Cardiff Capital Region	£164,630	£16,948	9.7
West Midlands	£177,437	£16,078	11.0
West of England	£279,457	£21,080	13.3

Table 11 – Housing Affordability Ratio

⁵⁰ NRS, [Household Estimates \(May 2020\)](#)

⁵¹ ONS ([Median House Prices](#)), Scottish Government ([House Sales Price](#))

⁵² NOMIS, [Gross Disposable Household Income](#)

5.2.4 Housing – Residential Market

According to Savills data⁵³, the UK housing market has seen a remarkable recovery since mid-May. The number of sales agreed in September 2020 was 92% higher than the same month 2019.

Demand remains high for city centres, but rural markets have been the biggest beneficiaries in Q3 2020. In GCR, new sales agreed have increased by 125%-150% in the four weeks to 21 September compared with the same period last year.

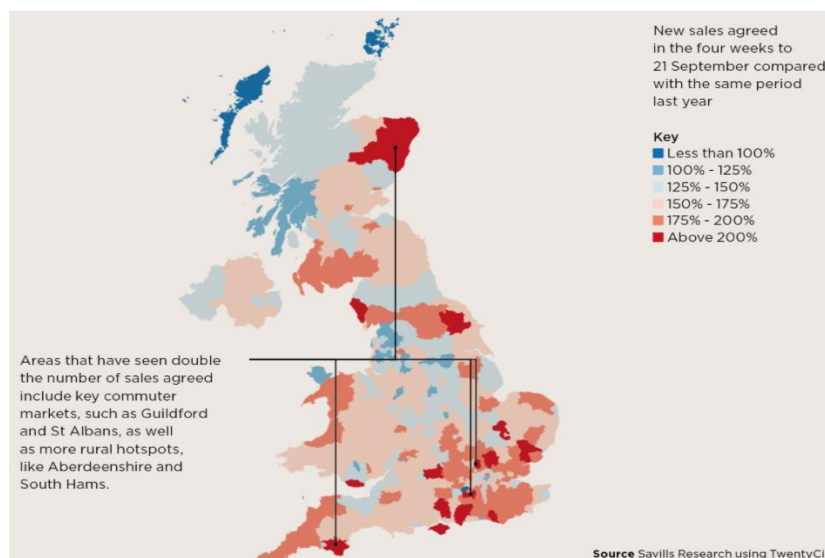


Figure 25: UK Residential Demand Hotspots (Savills, 2020)

5.2.5 Housing – New Build

New Build Completions: In 2019, there were 6,550 new build housing completions in the Region, a 11.4% increase from 2018 - ranking 2nd of the UK's Core City Regions, following Greater Manchester (7,000)⁵⁴. In the period 2016-2019, the Region had a significant increase in new housing completions (4+0.5%). Current programming of new development indicates increases in house building in both the social and private sector.

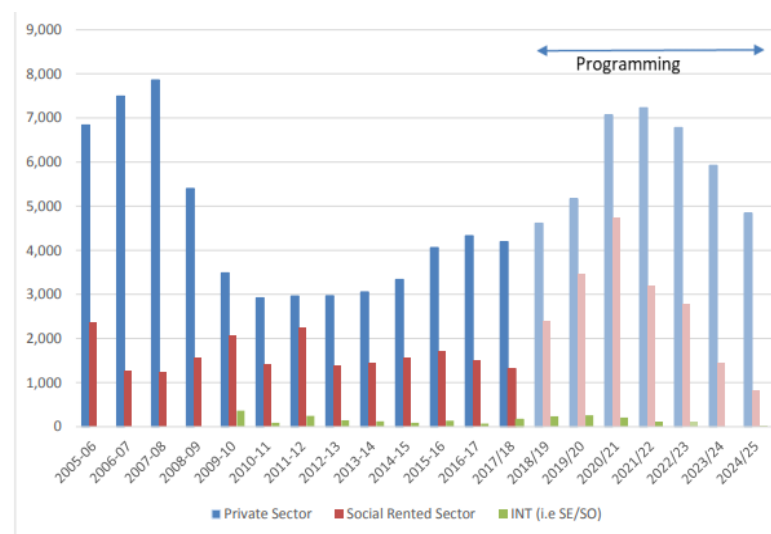


Figure 26 - Glasgow City Region Total Housing Completions and Programming by Tenure 2005-2025 (Clydeplan Housing Land Monitoring Report, 2018)

⁵³ Savills, [New Homes and Market Sentiment \(Oct 2020\)](#)

⁵⁴ Scottish Government ([New House Building in Scotland](#)), Welsh Government ([New House Building](#)), UK Government ([Live House Building Tables](#))

Private Sector: The private sector outlook suggests a significant rise to 2021/22 and a delivery spike in the social sector in 2020/2021 driven by the More Homes Scotland funding.

Affordable Housing: In 2018, there were 1,480 affordable houses completed in GCR, a 19.5% decrease from 2015⁵⁵.

5.2.6 Housing - Condition

Ageing Stock: With over 129,000 homes built pre 1919, the City Region has a significant issue in relation to its legacy of ageing housing stock. This is complicated by the high levels of flats in the region –around half of GCR’s households live in a flat (over 415,000 properties).

Disrepair: The latest data from the Scottish Household Condition Survey (SHCS)⁵⁶ estimates that 28.1% of the GCR’s dwellings had some element of disrepair - an improvement from 27.9% (-0.2% points) recorded in 2014-2016, but still lower than the Scottish average (29.7%).

Dwelling Standards: In terms of quality standards, the SHCS estimates that 40.4% of GCR’s dwellings in 2016-2018 were below standard, a 4.7% point decrease from 2014-2016 and lower than the Scottish average (42.2%).

Accessibility: In terms of accessibility, the latest data estimates that 20.8% of GCR’s dwellings surveyed in 2016-2018 had adaptations, similar to the Scottish average (20.6%) and a significant increase since 2014-2016 (+4.1% points).

⁵⁵ Clydeplan, [Housing Land Monitoring Report](#)

⁵⁶ Scottish Government, [Scottish Household Condition Survey](#)

5.3 COMMERCIAL

5.3.1 Commercial – Office City Centre Take Up

Strong Demand: According to the Scottish Property Review 2020⁵⁷, current demand for the city centre remains very positive. Many occupiers are initiating searches well in advance of their lease events as they become increasingly aware of the current supply profile. Demand is weighted to larger requirements in excess of 15,000 sq ft. which is consistent with the overall take up pattern for previous years.

Moreover, despite changing working patterns due to Covid-19, office take-up in H1 2020 IN Glasgow (city centre and the surrounding area) totalled 378,770 sq ft, exceeding H1 2019 volumes by 18%.

Office Supply: Glasgow has one of the most acute shortages of available office space of all the Big-6 regional cities (Birmingham, Bristol, Edinburgh, Glasgow, Leeds and Manchester). As shown in the figure below, Glasgow has less than six months of Grade A supply available, relative to annual average take-up levels⁵⁸.

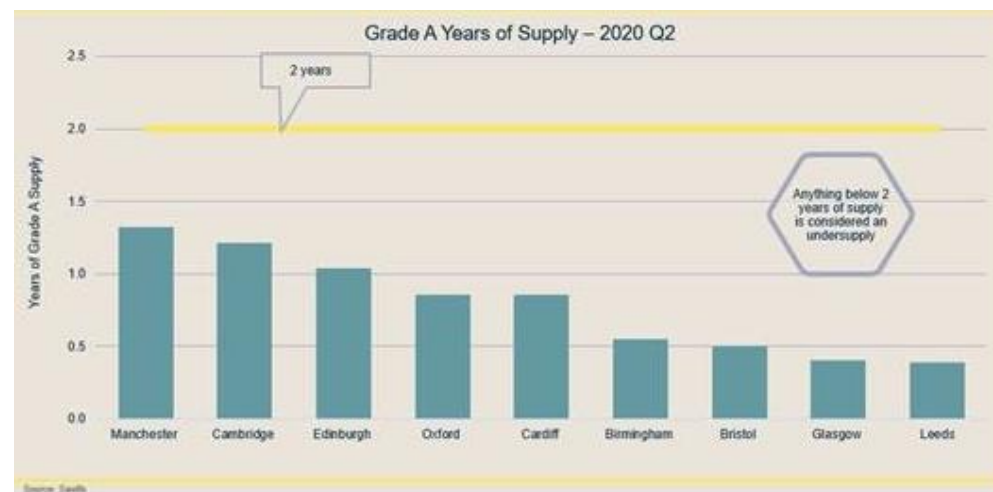


Figure 27 - Grade A years of supply- 2020 Q2, (UK Regional Office Market Report, Savills, 2020)

⁵⁷ Ryden, [Scottish Property Review 2020](#)

⁵⁸ Savills, [Insights and Opinions](#)

5.3.2 Commercial - Industrial Space

Take up: The Scottish Property Review 2020 suggests that Glasgow's industrial market is enjoying a purple patch for pre-let and bespoke (purpose-built) deals. Rising demand for discount groceries is mainly driving the market, but there have also been some deals in the logistics sector.

Supply: The market has reached its lowest level of availability. Vacant industrial property accounts for 3.7% of stock. According to Ryden (February 2020), speculative development remains at low volume. Further tightening of Glasgow's industrial supply is expected in 2020. This is positive for investment potential but is constraining business expansion. Scottish Property Review suggests that the market continues to be very active, however it requires the creation of more new industrial space to accommodate business growth.

Rent: According to CoStar⁵⁹, the average rent across the entire leased stock is now £5.13 per sq ft. with annual growth of 2.2%.

⁵⁹ Ryden, [Scottish Property Review](#)

5.3.3 Commercial - High Streets and Retail Leisure

High Street: The ONS released experiential data focusing on High St activity between 2015-18⁶⁰. This highlighted that across GCR:

- Retail jobs on the High St dropped by 7% - the 2nd largest fall across the UK's Core City Regions (see Table 11)
- Retail jobs as % of High St jobs dropped from 29%-26% (see Figure 28)
- The % of retail jobs on the High St as opposed to elsewhere remains steady at around 35%
- 53.4% of High St addresses are **residential**
- 13.1% of the region's population live around the high street (see Figure 29)

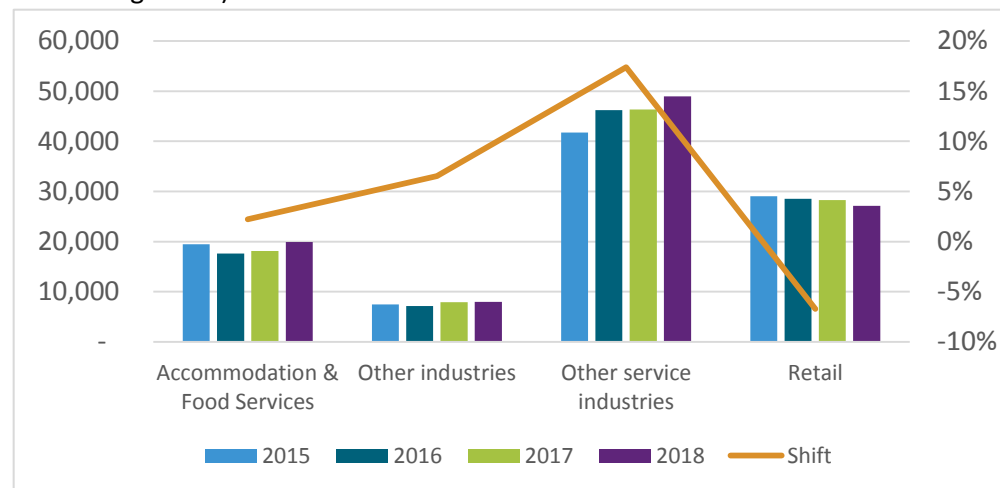


Figure 28 – Shifts in High Street Employment Activity (2015-2018)

⁶⁰ ONS, [High Street Employment and Resident Population](#)

Core City Region	High Street Retail Jobs 2015	High Street Retail Jobs 2018	3 Year % Change
Greater Manchester	40,580	43,720	7.7%
Liverpool City Region	26,370	26,230	-0.5%
Sheffield City Region	14,000	13,870	-0.9%
West Midlands	42,360	41,600	-1.8%
North of Tyne	12,340	12,110	-1.9%
West Yorkshire	31,290	30,550	-2.4%
Cardiff Capital Region	18,480	17,240	-6.7%
Glasgow City Region	29,060	27,110	-6.7%
West of England	14,710	13,090	-11.0%

Table 11 – Relative Performance Assessment

Retail: Analysis by the Fraser of Allander Institute noted that a shift in retail can be attributed to online shopping⁶¹. By the end of 2019, £1 in £5 of sales was online, double the 2013 share. In May 2020 that rose to £1 in £3. Repurposing of town centres is becoming more commonplace. The Scottish Property Review 2020 suggests that the discount retail sector will continue to expand, although it can have an out of town bias.

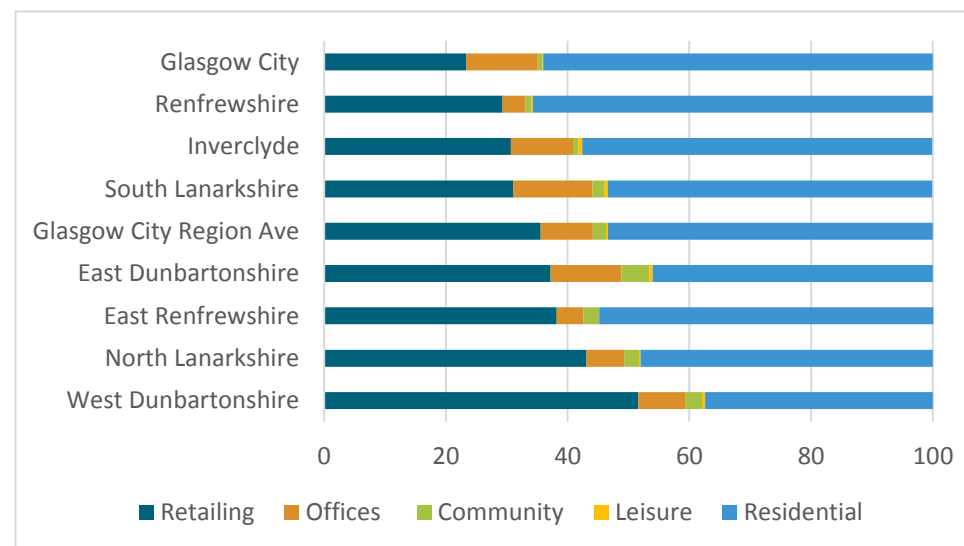


Figure 29 – High St Activity by Member Authority

⁶¹ Fraser of Allander Institute, [How are businesses fairing in Scotland](#)

5.4 VACANT AND DERELICT LAND

5.4.1 Vacant and Derelict Land – Volume

The City Region has a significant proportion of Scotland's total Vacant and Derelict Land, with large volumes within Glasgow and the Lanarkshires⁶². Almost 80% (2,690 ha) of the vacant and derelict land within Glasgow City Region is located within the urban area; and over 70% (1,900 ha) is found in the areas most affected by the decline of heavy industry in Glasgow and North Lanarkshire. Despite these figures, the City Region has achieved a significant reduction in V&DL sites over the last 3 years - the number of sites decreasing by 6.2%, translating to a 17.3% reduction in hectares.

Only 31% of the total GCR vacant and derelict land is identified as being 'developable'. Long term dereliction is a significant issue for GCR, with 661ha being vacant or derelict since before 1985. On average almost 25% of urban vacant and derelict land is defined as long term, and this figure is higher in certain local authorities such as Glasgow where it rises to 38%.

If the average rates of development and additions of vacant and derelict sites continue at historical rates, then it is estimated that it will take approximately 30 years to remove the current levels of urban vacant and derelict land from Glasgow City Region. Opportunities to address this have been created through the City Deal and other initiatives such as Clyde Mission and the Glasgow and Clyde Valley Green Network.

5.4.2 Vacant and Derelict Land – SIMD

Compared with other Scottish city regions, GCR has the highest volume of V&DL within the 15% most deprived datazones (885.4 Ha). This means that the residents of more disadvantaged areas are disproportionately affected by the environmental blight associated with these areas. Nevertheless, the City Region has seen the highest reduction in the volume of V&DL within the 15% most deprived datazones over the last 3 years (-11.0%).

⁶² Scottish Government, [Vacant and Derelict Land Survey \(2020\)](#)

V&DL and Top 5% SIMD Areas

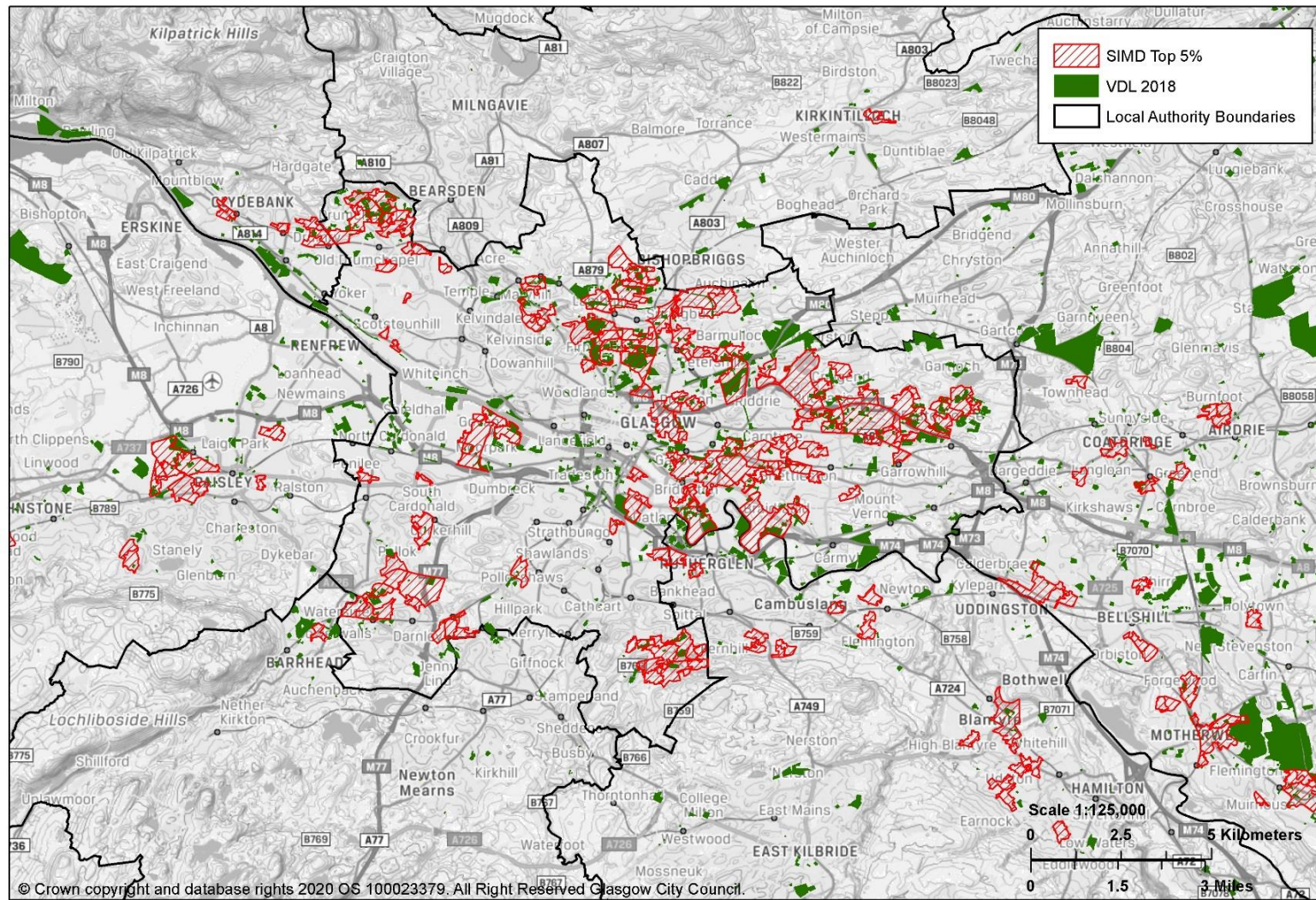


Figure 30 - V&DL and SIMD Area Overlaps

5.5 TRAVEL TO WORK AREA (TTWA)

The Glasgow City Region TTWA is the largest in Scotland and the 5th largest in Great Britain.

5.5.1 TTWA – Self Contained Labour Market

The City Region is a relatively self-contained labour market in travel to work terms⁶³. 93% of jobs located within GCR are filled by people who are residents of the region. 94% of working GCR residents work within the City region, with the balance accounted for by travel to work between the region and local authorities in Ayrshire.

5.5.2 TTWA – Local Differences

East Dunbartonshire and East Renfrewshire have significant levels of suburban development from which many people travel to Glasgow or other larger local authorities for work, while other areas, including Inverclyde and West Dunbartonshire, are more self-contained with relatively high percentages of residents working within the local authority boundary. This results in four separate travel to work areas (TTWA) within GCR, namely: Greenock; Dumbarton and Helensburgh; Motherwell and Airdrie; and Glasgow. Growing significantly between 2001-2011 (+20%) and with 1.26 million resident population in 2014

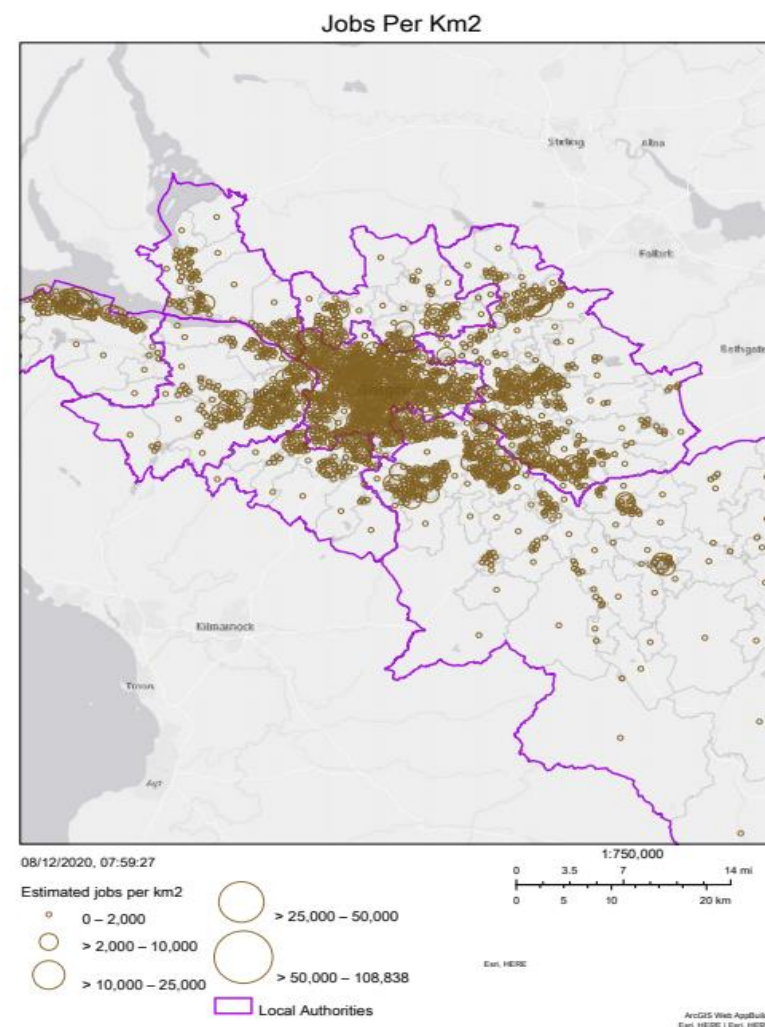


Figure 31 - Jobs Per Km2

⁶³ Scottish Government, [Scotland's Census 2011](#)

5.6 TRANSPORT

5.6.1 Transport – Modal Share

The modal share of adults travelling to work by public transport across the SPT area has remained stable between 2013 and 2018 at 30%⁶⁴.

5.6.2 Transport – Car Use

Vehicle Ownership: At a rate of 574 per 1,000 residents (aged 16 and over), GCR's levels of vehicle ownership remains lower than the Scottish average (670). GCR is at the bottom of the ranking scale compared with other Scottish City Regions⁶⁵.

Traffic: Between 2016 and 2018, traffic levels increased by 29.1%. During the same period, the Scottish national increase was 3.7%. There were substantial intraregional differences in GCR, ranging from North Lanarkshire's high growth (+8.8%) to Glasgow's low growth (+0.1%).

Data on traffic congestions show that the proportion of driver journeys (car/van) across the Strathclyde area delayed by congestion has fluctuated between 9.5% and 13% in the period 2013-2018. But, has seen a 2.4% decrease between 2015 and 2018.

5.6.3 Transport – Public Transport

Satisfaction: An estimated 70.2% of adults in GCR were satisfied with public transport in 2020, the 3rd highest of all Scottish City Regions and higher than the overall Scottish level (68%).

Rail: In 2018-2019 there were 58,458 rail passenger journeys within GCR, accounting for 63% of Scotland's annual total, and the highest number from all Scottish City Regions - nearly three times that of Edinburgh and South East's 19,578 rail journeys.

Bus Usage: Bus patronage has fallen across Scotland between 2013-2014 and 2018-2019, with the largest decrease coming from Highlands, Islands and Shetland. The South West and Strathclyde (which encapsulates GCR) has seen a sharper decrease than other areas of Scotland. **Bus was more commonly used for shorter travel** distances compared to train, accounting for **16% for all trips under 5km** and 18% of trips between 5- and 10km.

Cycling: Cycling to work only accounted for 1% of commuting trips.

⁶⁴ SPT, [Regional Transport Strategy \(Jan 2020\)](#)

⁶⁵ Scottish Transport, [Scottish Transport Statistics](#)

Aviation: Glasgow Airport, the only airport located within GCR, provides access to national and international business and visitor economy markets, with services on 163 international routes in 2019 (29.4% increase from 2016 and 3rd highest of all airports across the UK's 9 Core City Regions) and 4,922,641 international passengers (the 4th highest of UK Core City Regions airports)⁶⁶.

Public Transport Accessibility: Access by public transport in the Glasgow City area ranges up to 30-45 minutes by public transport. Some areas of North and South Lanarkshire enjoy similar levels of access. The map, located at Figure 32, illustrates the accessibility to key employment centres by public transport on a typical weekday morning. Key employment locations are mostly located in Glasgow City followed by North and South Lanarkshire. The most common average travel time is 1.5-2 hours.

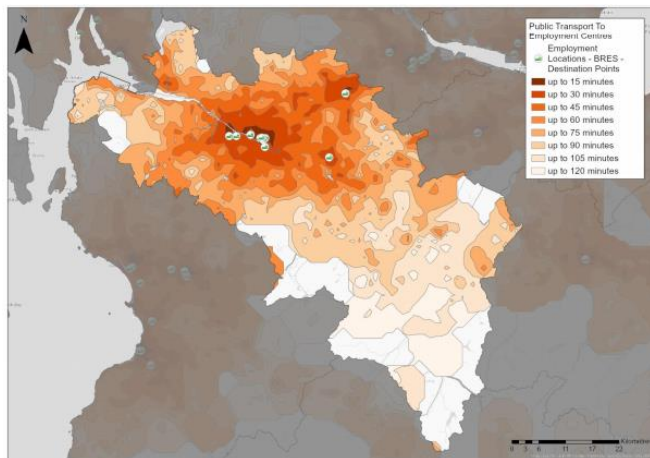


Figure 32: GCR public transport accessibility map

Public Transport Affordability: Based on household weekly expenditure data for the financial year 2018⁶⁷, the average household in Scotland spends £492.20 per week, with £68.20 or approximately 14% of this spent on transport. Of the 12 specified categories, transport is the category that has the highest level of expenditure. As income increases, the percentage of spending of overall expenditure on transport also increases – ranging from 8% at the lowest income decile to 17% at the highest income decile.

The lack of affordable and accessible transport is an important factor in poverty and social exclusion. With Glasgow City Region accounting for the highest proportion of deprived data zones in Scotland, more acute transport expenditure and affordability issues may be expected throughout the Glasgow City Region compared to other urban areas in Scotland.

⁶⁶ Civil Aviation Authority, [UK Airport Data](#)

⁶⁷ ONS, [Financial Year ending 2018](#)

5.7 DIGITAL INFRASTRUCTURE

The requirement for fit-for-purpose digital infrastructure in modern economies has grown significantly over the last decade. Reliable, fast, and widely available digital infrastructure enables individuals and firms within an economy to be more productive, whilst also acting as an incentive for foreign direct investment.

The social and economic restrictions placed on the economy during the COVID-19 pandemic only intensified the demand for robust and reliable digital infrastructure, as the proportion of individuals working from home surged, and virtual meetings became the norm.

Superfast Broadband: During 2020, 96.8% of premises (households and businesses) in GCR had access to a connection with Superfast Broadband speeds (30 plus Megabits/second)⁶⁸. GCR has a higher rate of access to SFBB than the UK national average (94.9%).

Ultrafast Broadband: In 2020, 69.6% of premises in the Region had access to Ultrafast Broadband (300 pls Mb/s). While this was the 5th highest rate of the 9 comparable UK Core City Regions, it was significantly lower than top ranked West Midlands (86.6%) and West of England (77.4%).

Full Fibre: In 2020, 9.1% of GCR premises had access to a Full Fibre connection. Significant improvements are needed if GCR is to catch up with other UK city regions. GCR's Full Fibre availability rate is approximately 20% points off of the UK Core City top quartile average rate (31%).

⁶⁸ OFCOM, [Connected Nations](#)

5.8 ENVIRONMENT

The Scottish Government have demonstrated their commitment towards the Environmental Sustainability and Climate Change agenda by setting a number of ambitious targets – such as transitioning Scotland into a net-zero greenhouse gas emission nation by 2045, generating 50% of Scotland’s overall energy consumption by renewable sources by 2030, and decarbonising the energy system completely.

At a subregional level GCR has been recognised as a leading city region for sustainability, showcased by Glasgow being awarded the status of a Global Green City, and being ranked 4th in the Global Destination Sustainability Index⁶⁹. Glasgow was also recently chosen to host the 26th Conference of the Parties (COP26) climate change conference, due to take place in November 2021.

5.8.1 Climate Change Mitigation

GCR’s latest CO₂ per capita emissions were estimated at 4.6 tonnes in 2018. CO₂ emissions from transport account for 40% of total emissions in GCR⁷⁰. The remaining comes from domestic, commercial, industry and land use.

GCR’s level of CO₂ per capita emissions have been decreasing steadily in the long-term, decreasing by 2.4 tonnes per capita between 2008 and 2018.

GCR was ranked 5th amongst competing UK Core City Regions for CO₂ per capita, and is still a considerable reduction away from matching the best performing region – West Midlands (3.9 tonnes per capita).

5.8.2 Climate Change - Adaption

Regardless of plans to achieve net zero, Glasgow City Region already faces, and will continue to face a wide range of risks from the impacts of climate change. These risks and opportunities depend on three key factors, as set out by the Intergovernmental Panel on Climate Change (IPCC, 2015)⁷¹:

- The hazards
- The exposure to those hazards
- The vulnerability of the City Region’s people (how sensitive they are and their ability to prepare for, respond to, and recover from, extreme weather events).

Globally, there is a gap between the scale of climate risks, and the planning, finance and implementation of adaptation (UNEP, 2020⁷²) and Glasgow City Region is no different in this regard – a significant step up in planning, funding and implementation is needed to manage these risks.

⁶⁹ Global Destination Sustainability Index, [2019 Results](#)

⁷⁰ UK Government, [Carbon Dioxide Emissions](#)

⁷¹ The Intergovernmental Panel for Climate Change, [AR5 Climate Change 2014](#)

⁷² UN Environment Programme, [Adaptation Gap Report 2020](#)

Whilst risk from surface water and river flooding are currently the most acute risks, over time the City Region is also predicted to see new and emerging hazards, such as sea level rise, more frequent and more severe weather events, hotter drier summers and heatwaves, all of which will impact the region's people, economy and environment.

Climate Ready Clyde's first climate risk and opportunity assessment for Glasgow City Region⁷³ identified 67 climate risks and opportunities for Glasgow City Region. These are scored by urgency, considering the current and future level of risks and opportunity, the extent to which the risk will be managed, and whether there are benefits to further action in the next five years. The economic impact of climate change risks on Glasgow City Region's economy, left unchecked is estimated to be in the order of hundreds of millions of pounds by the 2050s⁷⁴. Similar amounts of benefits may also be realised but will accrue to different organisations.

The risk assessment identified 10 risks where more action was needed in the next five years, relating to infrastructure provision, risks to the natural environment and society and human health and business and industry. In addition, the 6 particular risks and opportunities to business are shown below:







Ref	Risk / Opportunity Description	Urgency Score
Risks		
BI1	Risk to new and existing business sites from river, surface water and coastal flooding.	 More action needed
BI2	Risks to business operations from water scarcity	 Sustain current action
BI3	Risks to business from reduced employee productivity due to infrastructure disruption and higher temperatures in working environments	 Build capacity and understanding
BI4	Risks to business from disruption to supply chains and distribution networks	 More action needed
Opportunities		
BI5	Opportunities for products and services to support adaptation to climate change	 More action needed
BI6	Increased tourism revenue from increased temperatures	 Sustain current action

Figure 33 -: Risks to Economy, Business and Industry (Climate Ready Clyde, 2019)

⁷³ Climate Ready Clyde, [Towards a Climate Ready Clyde \(Jan 2018\)](#)

⁷⁴ Climate Ready Clyde, [Towards a Climate Ready Clyde \(Jan 2019\)](#)

5.9 PLACE ATTRACTIVENESS

Tourism: During 2018, there were 2,756,000 visitor trips to the Greater Glasgow and Clyde Valley Region, equating to 18% of the Scottish total⁷⁵. Of these, 67% were domestic visitor trips and 33% were overseas visitor trips.

Overall tourism expenditure (overseas and domestic) was around £774 million in 2018, a significant contribution to the Regional economy.

⁷⁵ Visit Britain, [Subregional Statistics 2018](#)

5.10 COVID-19 AND PLACE

Short Term: The impacts on GCR's places caused by the Covid-19 lockdowns are very visible. A significant number of the region's workforce are working from home, meaning that offices are empty and businesses struggling that are dependent on workday footfall. In Glasgow City Centre alone, it is estimated that there are over 2,000 footfall dependent businesses. One obvious consequence of this has been that people have spent more time in their local communities. The arrival of vaccines gives grounds for optimism that people will return to offices in the coming months.

The use of public transport has dramatically decreased. The airport has virtually come to a standstill at times and taxi drivers are struggling. Vehicle movements changed dramatically since February 2020, as can be seen in the Google Mobility data shown in Figure 34 for Glasgow.

The lockdown has also highlighted the importance of our digital networks and infrastructure.

Medium Term: the longer lasting impacts are not yet known. There a wide range of place issues which need carefully monitored:

- How many people will return to the office and when, and what impact will that have on surrounding businesses?
- What will this mean in terms of the demand for local community services?
- Will people be as happy to return on to buses and trains as they did previously?
- In the medium term, will there be a speeding up of Connected and Autonomous Vehicle (driverless cars). Will we see drones replacing delivery drivers in the not too distant future?

It appears that one change which will continue is the changing nature of retail consumption. The lockdown appears to have exacerbated the trend for online shopping, which will invariably alter the regions shopping destinations.

National governments, including the Scottish Parliament, have made significant announcements on the importance of green investments in the recovery process – which could significantly alter places and accelerate the low carbon, climate resilient transition.

5.11 PLACE AND THE GCR CITY DEAL

As noted in the last section, it is not yet clear what longer-term changes will alter people's behaviours, and what that will mean in terms of how our places function – which will be a key consideration for Covid-19.

But, in the latest data which was available prior to the lockdown, road usage was increasing. Commentators such Rettie expect that the market will return to normal by 2023, well within the time horizons for the City Deal programme.

Finally, as noted in section 3.9, the development of infrastructure projects has a critical role in the economic recovery process.

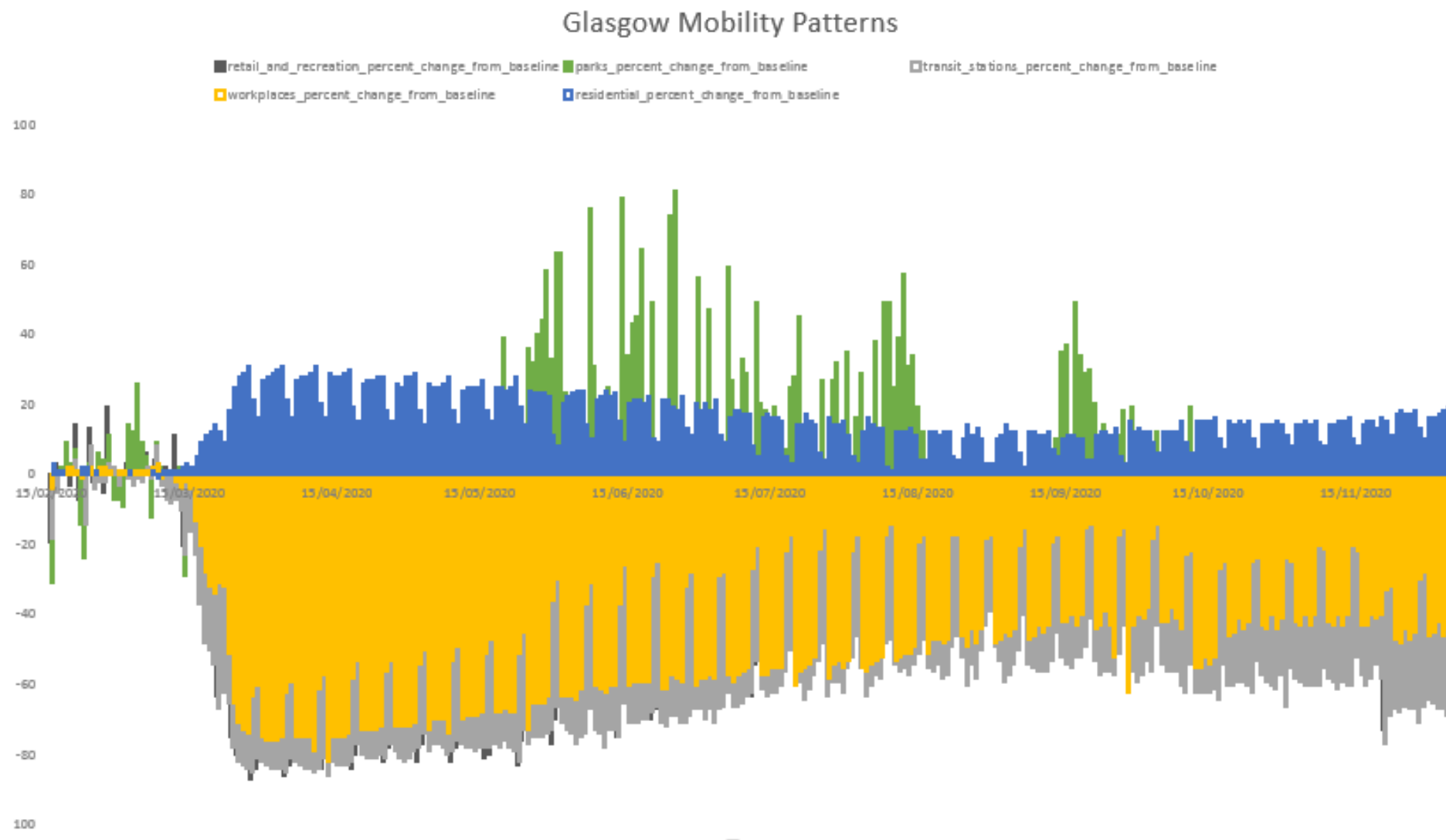


Figure 34 – Google Mobility Patterns – Glasgow City

6 Relative Performance Assessment

In reviewing the wide range of indicators that make up GCRs socio-economic baseline, a series of relative strengths and weaknesses have been identified – as shown in Table 12.

Assessment Approach: the assessment is based on the relative performance of GCR in comparison to other City Regions across Scotland and the UK, and against national averages. The relative assessment is based on the latest available statistical publications and, where possible, short-term trends. It should be noted that the allocation of indicators into sections also accounts for GCR's comparative performance against previous years.

The assessment utilises the indicators presented in Appendix A – Summary of Economic Indicators. The analysis is not exhaustive and therefore does not analyse each point of data presented in Appendix A, such as those indicators that closely align or feed into one another.

Consistent Performance: some of these strengths, such as residents with degree qualifications, have been consistent strengths of the region. Equally, there have been stubbornly persistent weaknesses such as relatively high levels of economic inactivity.

Changing Performance: for some metrics, there have been areas where performance is changing. For instance, levels of unemployment, whilst still relatively high, are showings signs of improvement. Likewise, there are areas where performance is starting to decline, such as Child Poverty.

The Assessment is Relative: as noted, the assessment is relative to other City Regions and UK / Scottish averages. So, just because GCR is performing well on an indicator in comparison to other areas, doesn't

mean that the issue does not require attention. The clearest example is Child Poverty - whilst GCR has the 2nd lowest rate of Child Poverty amongst the UK's Core City Regions, almost 26% of children across GCR still live in relative poverty.

	Current and Persisting Weakness	Current Weaknesses - But Recent Relative Improvement	Current Strengths - But Recent Relative Decline	Current and Resilient Strengths
SOCIAL	<ul style="list-style-type: none"> Economic Inactivity Employment Youth Economic Activity Out-of-work Benefit Claimants Employment in low-paying sectors No Qualifications Skills Vacancies Establishments/Workforce Skills Gap Healthy Life Expectancy - Males 	<ul style="list-style-type: none"> School Leaver Positive Destinations Economic Inactive due to Long-term Ill Health Incapacity Benefit Claimants Healthy Life Expectancy - Females Underemployment 	<ul style="list-style-type: none"> Unemployment Working-Age Population Proportion Child Poverty 	<ul style="list-style-type: none"> Gender Employment Gap Employees Earning Less than Living Wage Degree-level Qualifications Staff Utilisation Dependency Ratio Economically Inactive: Full-time Students Fuel Poverty Youth Job-related Training
ECONOMIC	<ul style="list-style-type: none"> GVA per hour worked Job Density Growth Sector Enterprise Rate Business Births Procurement spend on local SMEs Patent Applications per capita SIMD Representation 	<ul style="list-style-type: none"> Enterprise Rate Business Expenditure in R&D per Capita Survival Rate of New Enterprises Proportion of High-skilled Occupations 	<ul style="list-style-type: none"> Total GVA Total Jobs Business Deaths Exports per job 	<ul style="list-style-type: none"> Wage Growth Disparity Median Weekly Earnings Total Income Job Quality
PLACE	<ul style="list-style-type: none"> International Airport Passengers Ultra-Fast Broadband (+faster) Infrastructure 	<ul style="list-style-type: none"> Dwellings in Disrepair Housing Quality Vacant & Derelict Land 	<ul style="list-style-type: none"> Net Migration International Net Migration Public Transport Satisfaction Bus Patronage Domestic Airport Passengers Domestic Tourism Tourism Enterprise Turnover/GVA Vacant & Derelict Land Re-use Emissions per Capita 	<ul style="list-style-type: none"> Overseas Tourism Train Patronage Freight Transport Airport International and Domestic Routes Housing Affordability Adapted Dwellings for Accessibility New Build Housing

Table 12– Relative Performance Assessment

7 Conclusion and Emerging Priorities

The Covid-19 pandemic has clearly harmed the economy and made life tougher for a large number of GCR residents. The impacts of which will need closely monitored and analysed in the coming months. Nevertheless, Glasgow City Region has many economic assets and comparative advantages – including high levels of degree educated residents and a large student population. It has a relatively low dependency ratio, driven by large levels of in-migration over the past decade - some of which will be attracted to relatively high levels of weekly earnings and a relatively affordable housing market. Businesses expenditure in R&D is relatively high, as is the employment generated by R&D activity. Businesses' and residents continue to be supported by a well-developed public transport network.

But compared to other UK Core City Regions, Glasgow City Region has weaker performance in a number of areas which are vital for economic growth and prosperity to be shared by all. These include high rates of residents with no qualifications and levels of economic inactivity. There are also a relatively high number of residents claiming benefits. Whilst healthy life expectancy is improving for females, it is still relatively low, and even more so for males. The numbers of businesses per capita within the region is very low, driven by low levels of entrepreneurship and business dynamism. Given the increasing importance of digital connectivity, as highlighted by the pandemic, the relatively low levels of availability of ultra-fast and fibre broadband is a concern. The region faces a variety of existing environmental risks (surface and river flooding) and emerging hazards, such as sea level risks, which have the potential to significantly impact the economy.

The key issues facing the region can be summed up by three grand challenges:

Inclusive Growth: despite significant efforts by local and national government agencies for recent decades, the socio-economic situation for the local population can be summarised in the old adage – a tale of two cities, or in this case, regions. The haves and the have nots. Finding innovative ways to ensure all sections of society can prosper is crucial to addressing the prevalence of deprivation which has scarred Scotland's only true metropolitan region for far too long.

Enhancing Productivity: the OECD has analysed in significant detail the missed productivity gap across UKs regions/ cities in comparison to those in other European countries. Glasgow is one where the gap is significant. However, the Connected Places Catapult⁷⁶ in 2020 identified the region as one of four with the strongest potential to join London, Oxford and Cambridge as the future engine of the UK economy.

Climate Emergency: Glasgow City Region's local authorities are required to hit net zero emissions by 2045, whilst Glasgow has a more ambitious target of carbon neutrality by 2030. Reaching these targets requires not just an acceptance of the transition, but a proactive use of the economic development levers to accelerate, and scale progress.

Meeting these challenges will require further investment in the Region's people, business, cultural and physical assets. In considering how and where to invest, a series of priorities have emerged which will meet these challenges and shape the next iteration of the Regional Economic Strategy.

⁷⁶ Connected Places Catapult, [Identifying potential growth centres across GB](#)

	PRIORITIES	GRAND CHALLENGES		
		Inclusive Growth	Enhancing Productivity	Climate Emergency
SOCIAL	<ul style="list-style-type: none"> Reducing the absolute level of multiple deprivation in areas within the most deprived 20% SIMD areas; 	✓		
	<ul style="list-style-type: none"> Reducing economic inactivity due to ill-health 	✓	✓	
ECONOMIC	<ul style="list-style-type: none"> Improving the overall skills profile of the Region by reducing the proportion of population with no/low qualification levels 	✓		
	<ul style="list-style-type: none"> Increasing the number of, and improving the spatial distribution and access to, fairly paid, good quality, sustainable jobs across the Region 	✓	✓	
	<ul style="list-style-type: none"> Increasing the number of businesses per capita and the productivity of the existing business stock 	✓	✓	
PLACE	<ul style="list-style-type: none"> Reducing the level of vacant and derelict land in close proximity to residential and business areas through regeneration and the enhancement of openspace 	✓		✓
	<ul style="list-style-type: none"> Improving access to employment locations via public transport/active travel and improved digital connectivity; and 	✓	✓	✓
	<ul style="list-style-type: none"> Ensuring the availability and access to affordable, quality housing with a focus on developing on vacant and derelict land 	✓	✓	✓
	<ul style="list-style-type: none"> Reducing CO2 emissions to meet Net Zero targets 			✓

Appendix A – Summary of Economic Indicators for the Glasgow City Region

Economy & Jobs

ID	Indicator	Glasgow City Region	Source Year	Source
ECO 1	GVA at current basic prices (£)	42,911	2018	Regional Gross Value Added (December 2019)
ECO 2	GVA per head (£)	23,395	2018	Regional Gross Value Added (December 2019)
ECO 3	GVA per hour worked (£)	30.0	2018	Subregional Productivity (February 2020)
ECO 4	Number of Jobs (by sector)	855,000	2020	Business Register and Employment Survey (Oct 2020)
ECO 5	Job Density	0.79	2019	Job Density (January 2020)
ECO 6	% In employment who are the top occupations (SOC2010)	8.5	2019	Annual Population Survey (April 2020)
ECO 7	Employees (18+) earning less than the Living Wage (%)	11.7	2020	Scottish Government ASHE Analysis (2020)
ECO 8	16-24's with job-related training in the last 13 weeks (%)	20.2	2019	Annual Population Survey (April 2020)
ECO 9	Median income (£ per week)	614.3	2020	Annual Survey of Hours and Earnings (2020)
ECO 10	Self-employed Density (per 1,000 16+ population)	59.2	2019	Annual Population Survey (April 2020)
ECO 11	Part-time employed proportion	32.6%	2019	Business Register and Employment Survey (Oct 2020)
ECO 12	Total median gross weekly wage (£)	495.8	2020	Annual Survey of Hours and Earnings (2020)
ECO 13	% all in employment split by occupation	n/a	2019	Annual Population Survey (April 2020)
ECO 14	Underemployment % (16+)	7.9	2019	Scotland's Labour Market (2019)

Labour Market

ID	Indicator	Glasgow City Region	Source Year	Source
LAB 1	Economically Active working-age individuals (%)	75.3	2019	Annual Population Survey (April 2020)
LAB 2	Employment Rate (%)	72.2	2019	Annual Population Survey (April 2020)
LAB 3	Unemployment Rate (%)	4.0	2019	Annual Population Survey (April 2020)
LAB 4	% of school leavers in positive destinations	95.0	2018/19	Attainment and Leavers Destinations Data

Labour Market

LAB 5	16-19 Participation Measures	91.4	2019	SDS Annual Participation Measure (2019)
LAB 6	Economically Inactive Rate (%)	24.7	2019	Annual Population Survey (April 2020)
LAB 7	% of Economically Inactive by reason: Student	28.0	2019	Annual Population Survey (April 2020)
LAB 8	Economically Inactive - Long-term sick (%)	28.2	2019	Annual Population Survey (April 2020)
LAB 9	Incapacity-based benefits claimant rate	78.9	Nov-19	DWP Stat-Xplore
LAB 10	Skills Mismatches	n/a	2017	Skills Development Scotland - Regional Skills Assessment
LAB 11	NVQ Level 4+ Qualifications (%)	43.9	2019	Annual Population Survey (April 2020)
LAB 12	Working-age population with no qualifications (%)	13.2	2019	Annual Population Survey (April 2020)
LAB 13	Initial School Leaver Destinations - Positive Destinations (%)	94.4%	2017/18	Scottish Government
LAB 14	16-19 Labour Market Indicators	n/a	2019	Annual Population Survey (April 2020)
LAB 15	20-24 Labour Market Indicators	n/a	2019	Annual Population Survey (April 2020)
LAB 16	25-49 Labour Market Indicators	n/a	2019	Annual Population Survey (April 2020)
LAB 17	50+ Labour Market Indicators	n/a	2019	Annual Population Survey (April 2020)

Enterprises

ID	Indicator	Glasgow City Region	Source Year	Source
BUS 1	Number of Enterprises per 10,000 population (16-64)	412.2	2020	NOMIS Business Counts 2020
BUS 2	Number of Enterprises with over 50 employees per 10,000 population (16+)	9.5	2020	NOMIS Business Counts 2020
BUS 3	Number of Large Enterprises per 10,000 population (16+)	1.9	2020	NOMIS Business Counts 2020
BUS 4	Number of Enterprises with between 0-250 employees per 10,000 population (16+)	410.3	2020	NOMIS Business Counts 2020
BUS 5	Number of Enterprises in identified Growth sectors per 10,000 population (16+)	161.7	2020	NOMIS Business Counts 2020
BUS 6	Business Births per 10,000 population (16+)	47.2	2018	Business Demography
BUS 7	Business Deaths per 10,000 population (16+)	44.1	2018	Business Demography
BUS 8	5-year survival rate of new enterprises (%)	41.3	2018	Business Demography
BUS 9	Social Enterprises per 10,000 population	7.8	2019	Social Enterprise Scotland Census (2019)

Enterprises

BUS 9	Social Enterprises per 10,000 population	7.8	2019	Social Enterprise Scotland Census (2019)
BUS 10	% of procurement spent on local small/medium enterprises	23.1	2018/19	Local Government Benchmarking Framework 2018-2019
BUS 11	Business expenditure in R&D per head (£)	282.8	2017	Scottish Government - BERD
BUS 12	UK Competitiveness Index	n/a	2019	UK Competitiveness Index (Mar 2019)
BUS 13	Number of employees in Large Enterprises	366,000	2019	Scottish Government - Business in Scotland (2019)
BUS 14	Exports per job (£)	n/a	2017	Centre for Cities - Cities Outlook 2019
BUS 15	Patent Applications per 100,000 of the population	n/a	2018	Centre for Cities - Cities Outlook 2019

Population and Demography

ID	Indicator	Glasgow City Region	Source Year	Source
DEM 1	Population (16-64)	1,210,672	2019	Population Estimates (June 2020)
DEM 2	Net Migration	11,660	2018/19	Office for National Statistics (Aug 2020)
DEM 3	Overseas Net Migration	8,380	2018/19	National Records of Scotland
DEM 4	Dependency Ratio (%)	52.4	2019	Population Estimates (June 2020)
DEM 5	Working age change (%) by 2043	2.8%	2018	NRS sub-national Population Projections (2018)
DEM 6	Age-standardised Death Rates	1,258.9	2018	National Records of Scotland
DEM 7	Healthy life expectancy for males at birth	61.2	2016-2018	Healthy Life Expectancy (ONS - Dec 2018)
DEM 8	Healthy life expectancy for females at birth	62.0	2016-2018	Healthy Life Expectancy (ONS - Dec 2018)

Transport

ID	Indicator	Glasgow City Region	Source Year	Source
TRA 1	% of adults who were very/fairly satisfied with public transport	70.2	2019	Scottish Household Survey
TRA 2	% of adults travelling to work by public transport or active travel	30%	2018	SPT (Jan 2020)
TRA 3	Vehicles Licensed per 1,000 17+ population	574.4	2018	Scottish Transport Statistics
TRA 4	Passenger journeys by region for local bus services (millions)	159	2018/19	Scottish Transport Statistics

Transport

TRA 5	Vehicle km by region for local bus services (million km)	142	2018/19	Scottish Transport Statistics
TRA 6	% of buses that are compliant with the Equalities Act	84%	2018	SPT (Jan 2020)
TRA 7	Public road lengths by council area (km)	8,253.1	2018/19	Scottish Transport Statistics
TRA 8	Traffic on all roads (million km)	14,054	2018	Scottish Transport Statistics
TRA 9	Percent of driver journeys delayed by congestion	13%	2018	SPT (Jan 2020)
TRA 10	Scottish Traffic Congestion	13%	2018	SPT (Jan 2020)
TRA 11	Rail passenger journeys within Scotland (thousands)	58,458	2018/19	Scottish Transport Statistics
TRA 12	Number of rail stations	477	2014-2017	Scottish Transport Statistics
TRA 13	Freight carried by airport (tonnes)	15,466	2018	Scottish Transport Statistics
TRA 14	Foreign and domestic freight traffic (000 tonnes)	8,865	2017	Scottish Transport Statistics

Tourism

ID	Indicator	Glasgow City Region	Source Year	Source
TOU 1	Aviation Indicators	n/a	2019	Civil Aviation Authority
TOU 2	Number of Overseas Tourist visits (000s)	908	2018	Visit Britain Subregional Statistics 2018
TOU 3	Number of Domestic Tourist visits (000s)	1848	2018	Visit Britain Subregional Statistics 2018
TOU 4	Number of Overseas Tourist nights (000s)	5364	2018	Visit Britain Subregional Statistics 2018
TOU 5	Overseas Tourist spend (£m)	394.1	2018	Visit Britain Subregional Statistics 2018
TOU 6	Number of Overseas business overseas tourism visits (000s)	128	2018	Visit Britain Subregional Statistics 2018
TOU 7	Number of Overseas business tourism nights (000s)	579	2018	Visit Britain Subregional Statistics 2018
TOU 8	Overseas business tourism spend (£m)	50.1	2018	Visit Britain Subregional Statistics 2018
TOU 9	Number of Overseas holiday tourism visits (000s)	489	2018	Visit Britain Subregional Statistics 2018
TOU 10	Number of Overseas holiday tourism nights (000s)	1629	2018	Visit Britain Subregional Statistics 2018
TOU 11	Overseas holiday tourism spend (£m)	181.9	2018	Visit Britain Subregional Statistics 2018
TOU 12	Domestic Tourist spend (£m)	380	2018	VisitScotland
TOU 13	Number of Sustainable Tourism Enterprises	4,300	2019	Scottish Growth Sector Statistics
TOU 14	Total Turnover of Sustainable Tourism Enterprises (£m)	1,714.2	2017	Scottish Growth Sector Statistics

Tourism

TOU 15	Total GVA of Sustainable Tourism Enterprises (£m)	909.3	2017	Scottish Growth Sector Statistics
TOU 16	Total Employment in Sustainable Tourism Enterprises	62,750	2018	Scottish Growth Sector Statistics
TOU 17	Visit Scotland Tourism Indicators	n/a	2018	VisitScotland

Housing

ID	Indicator	Glasgow City Region	Source Year	Source
HOU 1	Household Projections	906,772	2018	Clydeplan (Apr 2018)
HOU 2	New Build Completions (Housing)	6,550	2019	New House Building in Scotland (March 2020)
HOU 3	Housing Stock	835,860	2019	National Records of Scotland (May 2020)
HOU 4	Social Housing Completions	1,316	2018	Clydeplan (March 2020)
HOU 5	Affordable Housing Completions	1,480	2018	Clydeplan (March 2020)
HOU 6	Long-term International Net Migration	8,380	2018/19	ONS Local Migration (Aug 2020)
HOU 7	% of Dwellings in Urgent Disrepair	71.9%	2016-2018	Scottish Household Condition Survey
HOU 8	% of Dwellings with Adaptations	20.8%	2016-2018	Scottish Household Condition Survey
HOU 9	% of Dwellings below standard	40.4%	2016-2018	Scottish Household Condition Survey

Poverty & Inequality

ID	Indicator	Glasgow City Region	Source Year	Source
INE 1	Claimants as a proportion of residents aged 16-64 (%)	7.3	Sep-20	Claimant Count (September 2020)
INE 2	% of children not in poverty (after housing costs)	74.20%	2018/19	End Child Poverty
INE 3	% of households not in Fuel poverty 2014-2016	76.30%	2016-2018	Scottish Household Condition Survey
INE 4	Workless Households (%)	19.9	2019	Households by Combined Economic Activity (2020)
INE 5	Gender employment gap (% point difference male - female)	2.6% points	2019	Annual Population Survey (April 2020)
INE 6	Employment in low pay sectors (%)	30.8%	2019	Business Register & Employment Survey (2020)
INE 7	Low Earnings (gross weekly pay at 20th percentile) (£)	418.6	2020	Annual Survey of Hours and Earnings (2020)
INE 8	Income Disparity (median vs 20th %ile growth)	-3.7% points	2020	Annual Survey of Hours and Earnings (2020)

V&DL

ID	Indicator	Glasgow City Region	Source Year	Source
VDL 1	Total Vacant & Derelict Land	3,381	2019	Scottish Gov - Vacant and Derelict Land Survey (2020)
VDL 2	Total Vacant & Derelict Land (sites)	1,734	2019	Scottish Gov - Vacant and Derelict Land Survey (2020)
VDL 3	People living within 500m of a derelict land site (%) 2016	46.0	2019	Scottish Gov - Vacant and Derelict Land Survey (2020)
VDL 4	Urban V&DL located within the 15% most deprived datazones (Ha)	885.4	2019	Scottish Gov - Vacant and Derelict Land Survey (2020)
VDL 5	Derelict Land reclaimed and Urban Vacant Land brought back into use (Ha)	131.6	2019	Scottish Gov - Vacant and Derelict Land Survey (2020)

Miscellaneous - Digital, Green, Innovation

ID	Indicator	Glasgow City Region	Source Year	Source
MIS 1	% of premises able to receive 10 Mb/s download speeds	99.7%	2020	OFCOM - Connected Nations
MIS 2	% of premises that have Ultra-fast Broadband availability (%)	68.3%	2020	OFCOM - Connected Nations
MIS 3	Premises with Full Fibre availability (%)	9.1%	2020	OFCOM - Connected Nations
MIS 4	CO2 Per Capita Emissions (t)	4.6	2018	UK Government