**CITIES OUTLOOK 2018, CENTRE FOR CITIES – BRIGHTON & HOVE[[1]](#footnote-1)**

**The State of Urban Britain in 2018**

Cities Outlook 2018 also looks at the state of urban Britain in 2018 and indicates it is divided, both in terms of politics and economics. It shows the extent of these divides and the implications they have for the future.

It finds that over half of voters in cities in the Greater South East chose to remain in the EU (54% remain) but it was the reverse elsewhere in the UK (54% voted to leave). It points towards cities outside the Greater South East tending to be less productive, have lower employment rates and lower average wages.

To bridge the divide the report talks about empowering cities and people – e.g. leaders having the power and direct mandate to address local challenges and young people entering work and older people at risk of redundancy ensuring they have skills for the labour market.

**THE FUTURE OF WORK IN CITIES**

The report focuses on the potential impact of automation and globalisation in driving both jobs growth and job losses in UK cities over the coming decades. Automation and globalisation will boost jobs in British cities over the coming decades, but:

* It will also deepen economic and political divisions across the country – with Northern and Midlands cities more exposed to job losses (almost 30%) than cities in the South.
* 1 in 5 existing jobs in British cities are likely to be displaced by 2030 as a result of automation and globalisation – amounting to 3.6m jobs (20.2% of the current workforce) in total – with retail occupations, customer service roles and warehouse jobs among those most at threat.
* Around 19% of jobs (32,000 jobs) are likely to be displaced in Brighton by 2030 but it is among those cities least exposed to job losses resulting from these changes, including Cambridge and Oxford (<15%).

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| --- | --- | --- | --- | --- |
| **Top 10 British cities least at risk of job losses resulting from automation and globalisation** | | | | |
| **Rank** | **City** | **Share of jobs likely to be lost by 2030** | **Share of residents who voted for Brexit (rank out of 62 British cities)** | **Average weekly workplace wages in 2017 (rank out of 62 British cities)** |
| 1 | **Oxford** | 13% | 30%    *(60/62)* | £600    *(7/62)* |
| 2 | **Cambridge** | 13% | 26%    *(61/62)* | £609    *(5/62)* |
| 3 | **Reading** | 15% | 43%    *(52/62)* | £655    *(2/62)* |
| 4 | **Worthing** | 16% | 53%    *(42/62)* | £455    *(55/62)* |
| 5 | **London** | 16% | 42%    *(53/62)* | £727    *(1/62)* |
| 6 | **Edinburgh** | 18% | 26%    *(62/62)* | £598    *(8/62)* |
| **7** | **Brighton** | **19%** | **36%    *(58/62)*** | **£496    *(37/62)*** |
| 8 | **Blackpool** | 19% | 63%    *(14/62)* | £500    *(33/62)* |
| 9 | **York** | 19% | 42%    *(54/62)* | £501    *(32/62)* |
| 10 | **Portsmouth** | 19% | 59%    *(18/62)* | £520    *(21/62)* |
|  | **Great Britain average** | 21% | 52% | £539 |

The report examines potential jobs growth in British cities which could result from automation and globalisation over the coming decades:

* Nearly 1 in 10 jobs in all British cities are in occupations predicted to grow by 2030. Between 5-10% of jobs in most British cities today are in occupations predicted to grow in future
* In Brighton, however, the share of jobs likely to grow is higher: around 11% of existing jobs are in occupations predicted to increase – the third highest share of any British city.
* However, Brighton is likely to see more growth in low skilled jobs than high skilled roles – with low skilled private sector roles accounting for 30% of the jobs expected to increase, more than the number of high skilled private sector jobs likely to grow (27%).

**CITY MONITOR – LATEST DATA**

The report highlights the performance of Brighton & Hove across 18 economic indicators compared with 62 largest cities in the UK. The key findings are below.

**Business & innovation**

The City does well in terms of business start-up rates ranking 8th (69.3 business start-ups per 10,000 population) but sits marginally behind other cities such as Southampton (70.3), Reading (73.5) and Milton Keynes (80.7). London ranked top with 112.3 business start-ups per 10,000 population.

Among the 10 cities with the highest start-up rate, Brighton & Hove has the lowest churn rate[[2]](#footnote-2) (2.2), followed closely by Northampton (2.5) and Reading (2.7). UK average churn rate is 4.2.

London ranked first for business stock per capita, with 566 businesses per 10,000 population, followed by Reading (474), Milton Keynes (463) and Brighton (453).

The UK average percentage change of business stock per 10,000 population between 2015 and 2016 is 4.0%. In comparison, Brighton & Hove is below the UK average at 2.9%. In comparison, London is 4.1%, Reading is 3.6% and Milton Keynes is 4.8%.

Brighton & Hove’s GVA per worker (2016) is below the UK average (£52,700 compared with £56,600). The three cities with the highest GVA per worker are: Slough (£82,100), London (£77,300) and Reading (£70,800).

**Skills & education**

The city ranks 8th among cities with the highest percentage of high qualifications, with 46.5% of the working age population with NVQ4 and above. The UK average is 38.0%.

Crawley ranked first for the lowest percentage of residents with no formal qualifications (2.0%), followed by Exeter (2.1%) and Brighton & Hove (3.8%). The UK average is 8.3%.

In addition, the City has a below average proportion of 50-64 year olds with no formal qualifications (7.8% compared with the UK average of 11.8%).

**Wages & inequality**

In 2017, the average weekly workplace wage in cities was £577, compared to the UK average of £539. The average wage in Brighton & Hove is significantly lower at £496 (ranked 37th).

Overall the UK saw no change to its real weekly earnings between 2016 and 2017 (£539). However, 35 cities saw their weekly salaries decrease in real terms between 2016 and 2017. In contrast, Luton experienced the largest increase in wages, with a real increase of £29 per week between 2016 and 2017, followed by York (£19), Middlesbrough (£13), Dundee (£14) and Brighton (£12).

Centre for Cities produce a ‘Gini coefficient’[[3]](#footnote-3) for each city to measure inequality. The coefficient gives a value between zero and one, with zero representing perfect equality and one representing a very unequal society. The average rating for England and Wales is 0.410 and the most equal cities tended to be in the north of England or Wales.

Those cities that were most equal also tended to have weaker economies, for example having lower average incomes, fewer knowledge-based services jobs and less productive economies. This means that although these cities were more equal, they were poorer overall. (See ‘Figure 19: The relationship between productivity and inequality’, page 62 in the main report).

The top 10 least equal cities were dominated by those in the Greater South East, Cambridge was the least equal (0.460) followed by Oxford (0.452), London and Reading (0.433) and Brighton & Hove (0.426).

**Housing**

In 36 out of 62 cities, house prices grew by more than the Great Britain average of 3.8% (2016/17). Southend experienced the highest house price growth, with average prices increasing by 11.4%, followed by Slough (10.8%) and Northampton (10.2%). Brighton & Hove is ranked 9th (7.4%).

House prices in London (£592,500) were twice the British average (£278,200). Oxford and Cambridge were second and third with £523,200 and £505,200, considerably above next placed Brighton (£394,600).

In 2017, on average house prices in Britain were 10 times the annual salary of residents. Oxford was the least affordable city, with house prices being 17.3 times higher than annual earnings followed by London (16.8), Cambridge (15.3) and Brighton & Hove (14.3 with an average wage £27,600 pa). In total, only 16 out of 62 cities were less affordable than the British average.

**Environment**

In 2015, average emissions per capita in the UK was 5.9 - Brighton & Hove ranked joint 4th at 3.6, along with Southend and Worthing. Luton experienced the lowest emissions per capita at 3.4 and Swansea the highest emissions at 24.6.

**Digital connectivity**

Brighton & Hove ranked 9th with 91.3 premises achieving ultra-fast broadband speeds (> 100 Mbps). Worthing achieved the highest rate at 94.5%, followed by Luton (93.2%) and Cambridge (93.0%). The UK average is 53.1%.

**BRIGHTON & HOVE[[4]](#footnote-4) FACTSHEET, CITIES OUTLOOK 2018**

**RANK RANK**

**area km2 120** (47/63)

**people**

Total population, 2016 **352,700** (26/63)

Population change, 2015-16 **1.1%** (12/63)

**business & innovation**

Business start-ups per 10,000 pop, 2016 **69.3** (8/62)

Business stock per 10,000 pop, 2016 **453** (4/62)

Patent applications per 100,000 pop, 2016 **12.7** (35/63)

Gross Value Added (£bn), 2016 **£8.5** (22/62)

GVA per worker, 2016 **£52,700** (16/62)

**skills & education**

High level qualifications, 2016 **111,700 46.5%** (8/63)

No formal qualifications, 2016 **9,200 3.8%** (3/63)

5A\*-C GCSEs inc. Maths & Eng., 2016 **58.9%** (17/59)

**jobs**

Employment, 2017 **181,200 75.4%** (22/63)

Private to public sector ratio, 2016 **2.4** (33/62)

Private sector jobs change 2015-16 **5,500 5.1%** (11/62)

**industrial structure**

Manufacturing jobs, 2016 **5,300 3.2%** (56/62)

Private knowledge service jobs, 2016 **24,900 15.3%** (12/62)

Public service jobs, 2016 **48,000 29.6%** (29/62)

Other services, 2016 **76,100 46.9%** (17/62)

**wages & inequality**

Average weekly workplace wages, 2017 **£496** (38/63)

Change in real wages, 2016-17 **£11** (6/63) **2.3%** (5/63)

Gini coefficient, 2015/16 **0.426** (5/58)

**unemployment**

JSA claimant count, Nov 2017 **3,430 1.4%** (16/63)

Youth JSA claimant count, Nov 2017 **670 1.3%** (11/63)

**housing**

Average house price, 2017 **£394,640** (4/62)

Affordability ratio, 2017 **14.3** (4/62)

**environment**

CO2 emissions per capita (t), 2015 **3.6** (5/63)

**digital connectivity**

Properties with ultrafast broadband, 2017 **91.3%** (8/63)

1. Brighton & Hove includes Adur in Cities Outlook 2018 [↑](#footnote-ref-1)
2. Difference between business start-ups and business closures as a percentage of total business stock. [↑](#footnote-ref-2)
3. Experimental data on incomes of residents (which includes wages, pensions, benefits and other income) released by the ONS [↑](#footnote-ref-3)
4. Brighton & Hove includes Adur in Cities Outlook 2018 [↑](#footnote-ref-4)