

Gwent Well-being Assessment

Economic Well-Being

Contents

1. Introduction.....	3
2. Economic activity and employment.....	4
2.1 Economic activity rate	4
2.2 Employment	4
2.3 Self-employment.....	6
2.4 Employment by occupation	8
2.5 Employment by industry type.....	9
3. Income and deprivation	10
3.1 Gross weekly pay.....	10
3.2 Disposable household income	12
3.3 Working and workless households.....	13
3.4 Unemployment.....	14
3.5 Coronavirus Job Retention Scheme	15
3.6 Welsh Index of Multiple Deprivation (WIMD)	17
3.7 Claimant count	21
3.8 Changes to welfare benefits	23
3.9 Economically Inactive.....	24
3.10 Not in education, employment or training (NEET).....	26
3.11 Food banks.....	27
3.12 Food security	28
4. Childcare	31
5. Business.....	32
5.1 Businesses demography.....	32
5.2 Retail and Leisure	35
5.3 Tourism	36
5.4 Community strengths & tourism attractions	38
5.5 Cardiff Capital Region City Deal	39
5.6 Strategic development sites	40
5.7 Renewable energy and decarbonisation	41
6. Work patterns.....	42
6.1 Commuting	42
6.2 How we commute	44

6.3 Effect of the Covid-19 pandemic on place of work	45
6.4 The impact of innovative technology on the workforce.....	48
6.5 Internet access.....	50
7. What people are telling us	52
8. Future trends and challenges.....	55
8.1 Covid-19 recovery.....	55
8.2 Exit from the EU	60
8.3 EU transition for Gwent	62
Table of Figures.....	64
References:.....	66

1. Introduction

This section of the assessment tells us about economic well-being in Gwent – the types of businesses in the area, how people make their money, where they work, how much they earn, employment trends, economic activity/inactivity, unemployment and worklessness.

Gwent has a diverse economy; from high tech manufacturers exporting products around the world to businesses providing the key every-day services that our communities rely on, such as food and care provision. This mixture should allow Gwent to take advantage of the emerging sectors that will play an increasingly important part of the low carbon and climate resilient economy of the future.

At a local level, each of the five local authority areas has its own economic strengths such as the environment and cultural heritage that contribute towards the economic well-being of people that live and work there.

As the population in Gwent ages, we will need to make sure that people remain healthy and active so that they can contribute to their local economy. Despite this, we know that there will be increased demand for some health and social care services in the future. However, with technological advances, social care needs may change which will require a workforce with new and different skills.

Actively contributing to the local economy and improving skills, including those that will be needed in the future, can positively impact on health and well-being. We know that there are people in our communities that are experiencing poverty, including in-work poverty, which has the potential to impact on just about every aspect of their lives and well-being. Having a range of decent work within our communities also helps to make them more cohesive places to live, work and study.

Shorter and more local supply chains would mean that Gwent of the future would be more resilient against fluctuations in global markets and to a changing climate. More local energy generation and efficient processes would mean that business would be protected from rises to wholesale energy costs.

Whilst the indicators in this chapter provide a picture of economic well-being across Gwent, it also takes into account, as far as is possible, the UK's withdrawal from the European Union and the significant impact that the Covid-19 pandemic has had on the local economy and across Wales.

As this chapter will demonstrate, the number of furloughed jobs and reduction in tourism and retail activity during the Covid-19 restrictions during 2020-21 has had significant implications for people of all ages. Despite this, Gwent is in a strong position to focus on economic recovery and long-term prosperity moving forward, but we may still not know the long-term consequences of the pandemic for some time.

2. Economic activity and employment

Economic activity is made up of two elements, those that are and those that aren't economically active. The economically active are people who are able to work whether they have a job or not. The economically inactive are those who are unable to work such as the long-term sick, the retired, full time students, or people caring for family or friends.

Gwent's diverse employment base means that there is a range of job opportunities in different sectors needing different skills. Diverse economies are more likely to be resilient to economic shocks. The region is also well placed to contribute to sectors that have been identified as important for future prosperity, providing decent jobs for future generations.

2.1 Economic activity rate

The percentage of those aged 16-64 who are economically active across Gwent is 78.0% which is slightly higher than the Welsh average of 75.7%. This ranges between 74.0% in Blaenau Gwent and 83.4% in Monmouthshire.

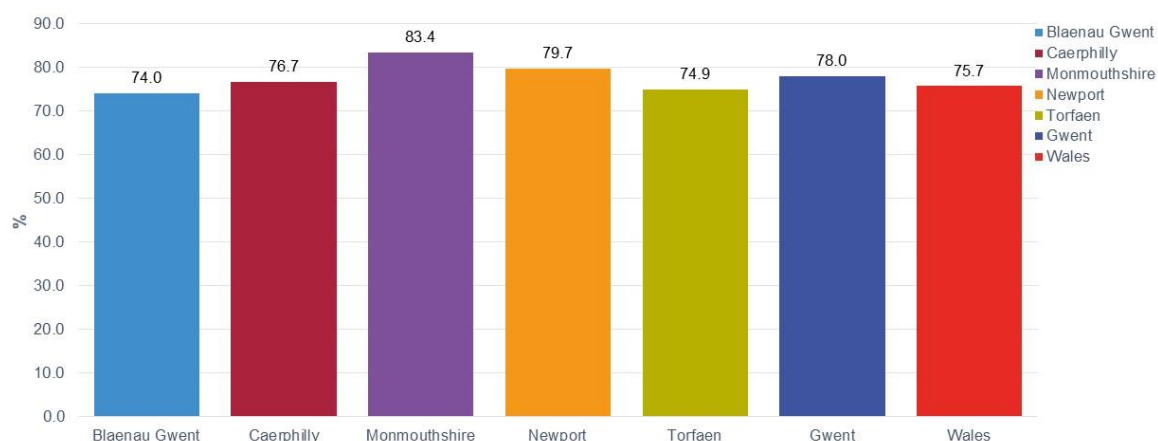


Figure 1: Economic activity rate - aged 16-64, Jan-Dec 2020.¹

2.2 Employment

The employment rate is measured by the number or percentage of people aged 16-64 who did one hour or more of paid work per week and whose who had a job that they were temporarily away from (e.g. due to sickness). This includes employees and the self-employed.² The employment rate is 74.5% in Gwent which is slightly higher than the Wales average of 72.8%. This ranges between 70.8% in Blaenau Gwent and 80.0% in Monmouthshire.

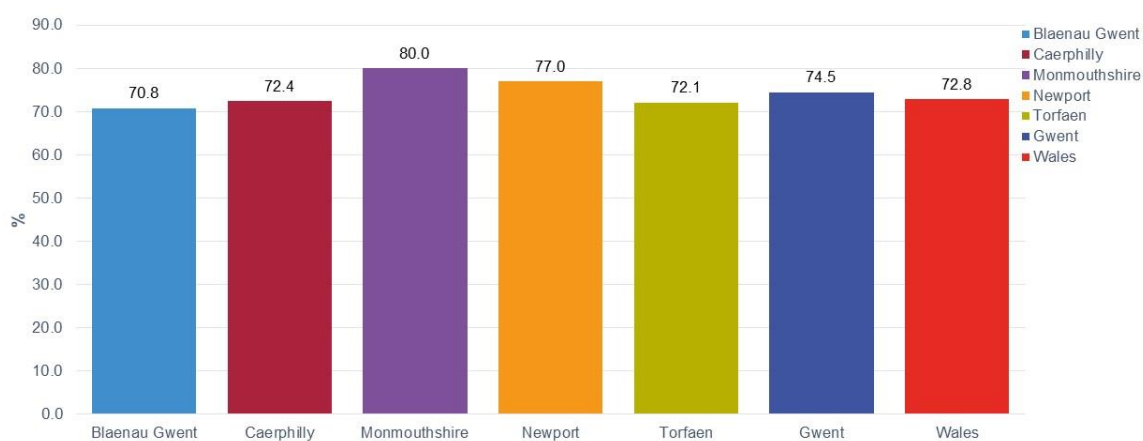


Figure 2: Employment rate – aged 16-64, Jan-Dec 2020.³

Figure 2 shows the employment rate by the broad age groups to determine the variation that exists within a local authority and between local authorities. Gwent's economic activity and employment rates suggests the area as a whole is outperforming the Welsh average but Figures 1 and 2 demonstrate that the below-average rates in Blaenau Gwent, Caerphilly and Torfaen need to be addressed.

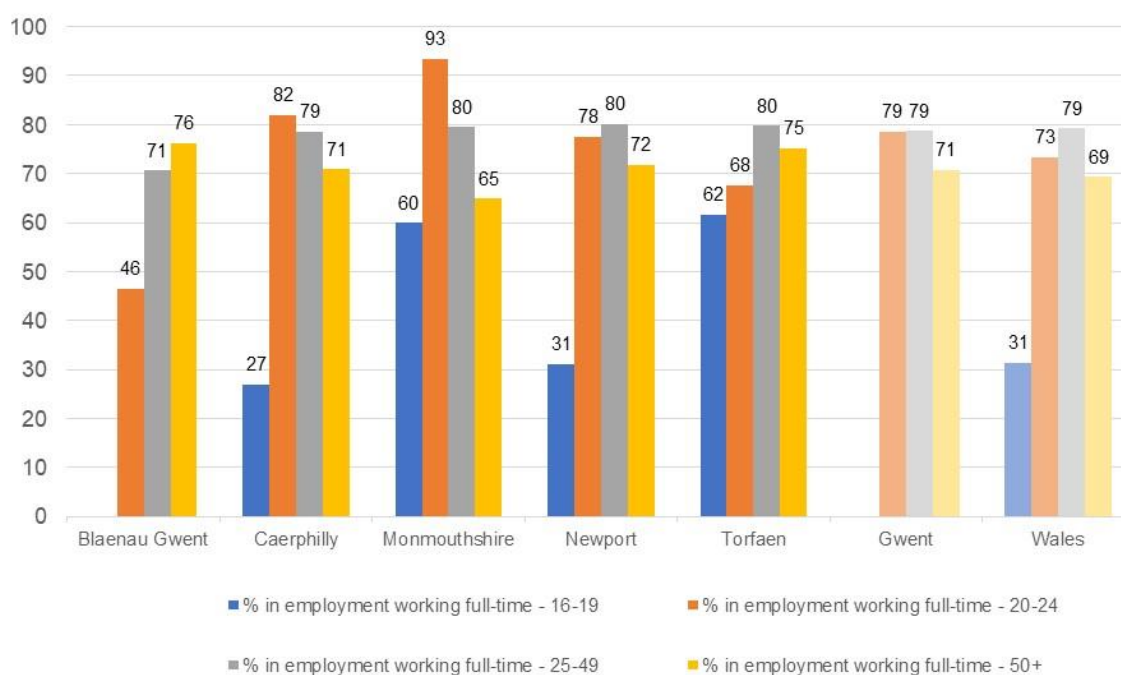


Figure 3 Percentage full-time employment 16-64 by broad age group, Jan – Dec 2020.⁴

Data has not been published for the rate of employed full time for aged 16–19 in Blaenau Gwent because of low sample numbers and would provide unreliable inference at population level. Therefore, it is not possible to aggregate a figure for Gwent for this age group.

Where sample data is available for age group 16-19 the rate of employed is generally notably less than the other age groups. Even so this is double the rate in Monmouthshire and Torfaen compared to Caerphilly and Newport. In contrast, Blaenau Gwent sees a low percentage of young people aged 20-49 in FTE compared to Gwent and Wales as a whole, but there is a

higher percentage of people aged 50+ in FTE, which suggests that more older people are staying in full time work for longer compared to Wales or any other Gwent LA.

According to Public Health Wales, there is some evidence that young people aged 16-19 have been affected most by the Covid-19 pandemic in terms of employment. They have been impacted by disrupted education, suspended apprenticeships and restricted employment opportunities in the sectors most affected by the economic impact of Covid-19 restrictions.⁵ However, there has been a slight increase in young people in Wales entering education as a result of the pandemic, which combined with the lack of opportunities as bar staff, waiters/waitresses, retail sales etc. during the Covid-19 lockdowns might explain the low proportion of 16-19 year olds in full time employment in Newport, Caerphilly, Blaenau Gwent, and Wales as a whole.

Not all employment is secure, which has been the case across the UK since before the Covid-19 pandemic. Figure 6 below shows the percentage of people in employment on a zero-hours contract in Wales, England and the UK between Oct – Dec 2013 to Jul – Sep 2021.

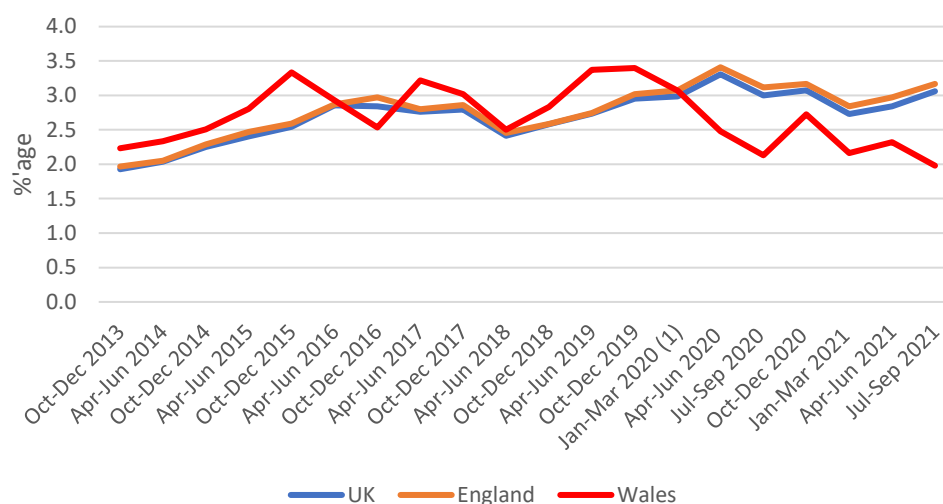


Figure 3 Percentage of people in employment on a zero-hours contract⁶

The percentage of people on zero contract hours in Wales followed an upward trend from 2.2% at the end of 2013 to 3.4% or 50,000 people at the end of 2019. The trend then followed a downward path to 2.0% or 29,000 people in Jul – Sep 2021, its lowest point for over seven years. This is contrary to the continuing upward trend seen in England and the UK which experienced an upward trend over the period to 3.2% and 3.1% respectively. Of people employed in this way across the UK, 38% of people in the UK employed on zero-hours contracts are aged 16-24.

2.3 Self-employment

Self-employment includes those people who regard themselves as self-employed, that is, who in their main employment work on their own account, whether or not they have employees.

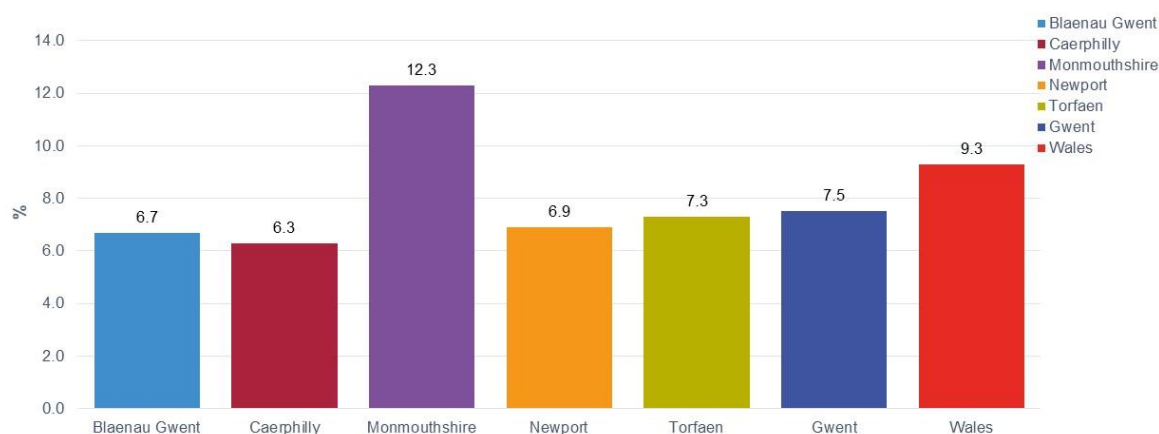


Figure 4 Percentage aged 16-64 who are self-employed, Jan – Dec 2020.⁷

Across Gwent the percentage of people that are self-employed is lower than the Welsh average except in Monmouthshire where it is considerably higher. As Figure 6 in section 2.5 below demonstrates, this may be partly due to there being a higher-than-average number of Monmouthshire residents aged 16-64 working in the Construction and Professional, Scientific and Technical Services sectors, where self-employment is more common.

Local Authority	Total potentially eligible population	Total no. of claims	Total value of claims (£)	Average value of claims made (£)	Total Take-Up Rate
Blaenau Gwent	2,400	1,500	3,800,000	2,500	62%
Caerphilly	6,300	3,900	10,600,000	2,700	62%
Monmouthshire	4,900	2,400	6,600,000	2,700	50%
Newport	5,200	3,200	8,400,000	2,600	62%
Torfaen	3,300	2,000	5,400,000	2,700	61%
(Gwent)	22,100	13,000	34,800,000	2,700	59%
(Wales)	140,000	77,000	203,000,000	2,600	55%

Figure 5 SEISS claims for the fourth grant of SEISS to 6 June 2021.⁸

Figure 4 shows the number of self-employed individuals assessed for potential eligibility for the fourth round of the Self-Employment Income Support Scheme (SEISS) grant as at 6 June 2021. This grant was introduced in response to Covid-19 restrictions. Generally, this includes individuals that HMRC identified as having traded in the tax year 2019 to 2020 and submitted their Self-Assessment tax return on or before 2 March 2021 for that year.

A total of 13,000 applications amounting to almost £35 million s have been claimed in Gwent for the fourth grant of SEISS i.e. an average of £2,700 per claim. The take up rate is higher across Gwent than the average for Wales, with the exception of Monmouthshire. The lower take up in Monmouthshire and across other parts of Wales, where the average is only 55%, might be because eligible individuals were required to make four separate claims covering four different periods of time, with many self-employed people across the UK being unsure of their eligibility status. The claim period for the fourth grant closed on 30 September 2021 so it is possible that the Gwent take-up rate increased during summer 2021.

2.4 Employment by occupation

Around 18.6% of people living in Gwent work in professional occupations which is lower than the Welsh average. 14.5% of people work in associate professional and technical occupations.

There are higher levels of senior management in Monmouthshire compared to the other areas, especially Blaenau-Gwent which has the lowest level. Approximately half of Monmouthshire's resident workforce have occupations that are likely to require higher educational qualifications.

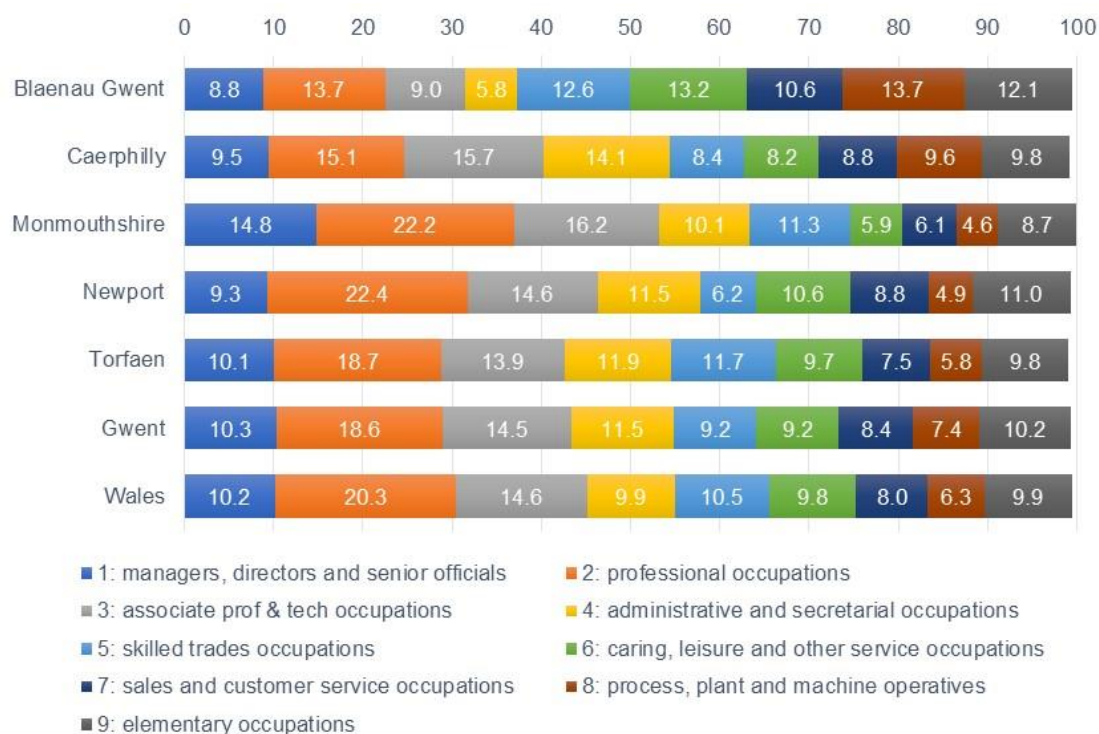


Figure 6 Employment by occupation, aged 16-64, 2020⁹

Blaenau Gwent has higher levels of elementary occupations, in particular process, plant and machine operatives. There are also double the rate of 'caring/leisure/other service' workers in Blaenau Gwent with 13% compared to 6% in Monmouthshire. Generally, these are the types of employment that do not require higher educational qualifications.

Gwent will need to ensure that it has people with the right skills to meet needs of the economic sectors of the future. One such example is the Creative Economy, which the Cardiff Capital Region (CCR) has identified as a priority for future skills development. The UK Government recently announced that businesses in the creative industries across the UK will receive a £50m investment to provide them with the tools they need to expand their work and provide more jobs. However, it is not yet clear how much of this funding will be available to businesses across the CCR.

2.5 Employment by industry type

The main employment base in Gwent is manufacturing (15%), which is higher than the Wales average (10.7%). This sector is significantly larger in Blaenau-Gwent, Caerphilly and Torfaen. Transport engineering, semi-conductors and energy (and the environment) have been identified by the CCR as priority sectors with the potential to create prosperity in the region over the next 10 – 20 years. This means that Gwent’s core employment base is well-placed to work in these sectors of the future.

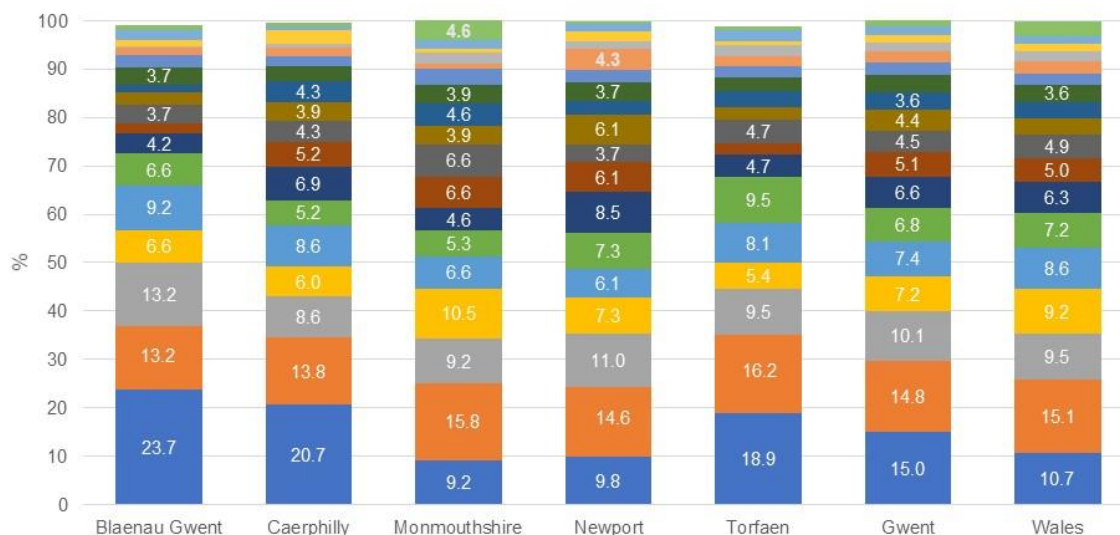


Figure 7 Employment by industry type, aged 16-64, 2019¹⁰. (Note that industry type percentage is only labelled where it comprises 3.5% or more employed within local authority)



Other significant sectors in Gwent are health, retail, accommodation and food services, education and public administration and defence. In Newport financial and insurance services form a larger part of the employment base than elsewhere, as does agriculture, forestry and fishing in Monmouthshire. Fin-tech or financial-technology has also been identified as a priority sector for the Cardiff City Region over the next 10-20 years – Gwent would be well place to contribute building on Newport’s employment base.

A higher proportion are employed in ‘Retail’ in Blaenau Gwent, ‘Accommodation & Food Services’ in Monmouthshire and ‘Business, Admin & Support Services’ in Newport.

Over the past two to three decades, the Welsh economy has seen an industrial shift away from production industries towards service industries. This has been the case in Gwent too with health, retail, education, public administration & defence, businesses admin & support,

professional, scientific & technical, and accommodation & food services now providing well over 50% of all jobs across Gwent.

However, Gwent has managed to maintain strength in its manufacturing sector, particularly in Blaenau Gwent, Caerphilly and Torfaen. The trend toward service industries is expected to continue, however Cardiff City Region has identified 8 priority sectors which will be important to the economy over the next decade and beyond (more information provided in section 4.5). Gwent with its manufacturing and health base is well positioned to contribute to these priority sectors, particularly life-sciences and transport engineering and energy. there may also be opportunities for the employment base to diversify.

3. Income and deprivation

Having decent, well paid and regular work gives people enough money to do the things they enjoy. However, many people are on low pay and don't always work enough hours to meet their basic needs, leading to in-work poverty.

Having a well-skilled, diverse workforce where everyone is valued and respected helps to raise standards and aspirations, providing opportunities – for young people especially – to find work and help make Gwent's communities more resilient. Wales also had the highest proportion of workers in involuntary insecure employment of anywhere in Great Britain in 2018/19.¹¹ In-work poverty and job insecurity can both act as stressors that affect health due to the unpredictability and lack of power individuals can have when they are in low-paid, insecure employment.

Opportunities for local jobs to enable young people to stay in the area was highlighted as an area of importance to residents across Gwent during the engagement process. In particular, people felt that there needs to be more opportunities for everyone to be able to access well paid jobs within their own areas, rather than having to travel for work. Residents felt that if more training opportunities were offered locally that residents would be able to access high paid roles.

3.1 Gross weekly pay

Figure 7 shows the gross weekly average (median) pay for full time workers by place or residence, irrespective of which location they work in. The median (or middle amount when arranged from lowest to highest) is usually used for pay as opposed to the mean in order to avoid distortion from outliers (significantly low or high amounts).

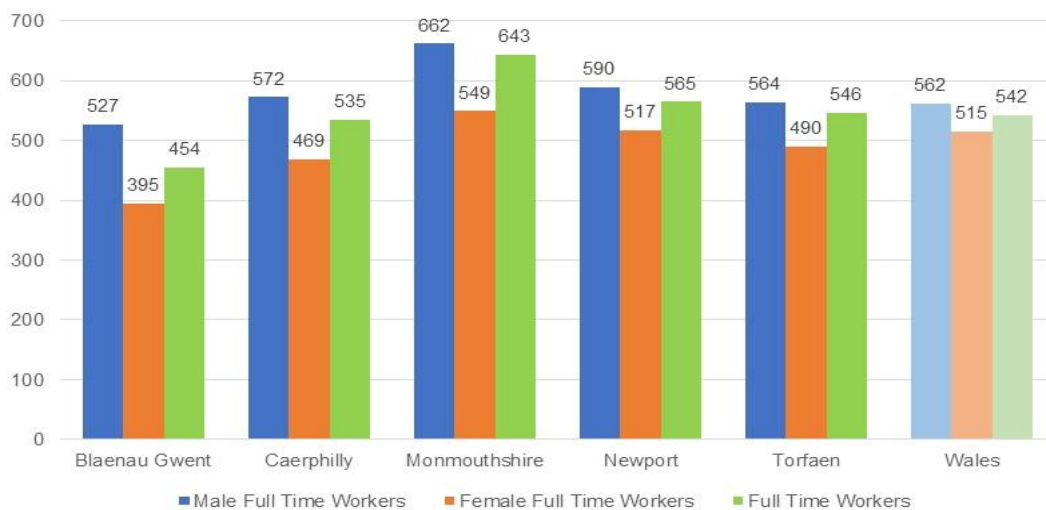


Figure 8 Gross weekly average pay by place of residence (£), Gwent local authorities, 2020¹²

Gross weekly average (median) pay for full time workers living in Gwent ranges between £643 in Monmouthshire to £454 in Blaenau Gwent, which is significantly below the Wales average of £542. Across Gwent male full-time workers pay is higher than that of females. The pay difference ranges between 12% in Newport and Torfaen and 25% in Blaenau Gwent.

The data tells us that for people working in Gwent but not necessarily living here, Monmouthshire's full-time workers are paid the highest in Wales, at £575 per week, followed closely by Torfaen at £573. This could be due to high rates of commuting out of Wales or to key employment areas such as Newport, Cardiff or Bristol. It may also be due to better educational attainment, offering better work opportunities.

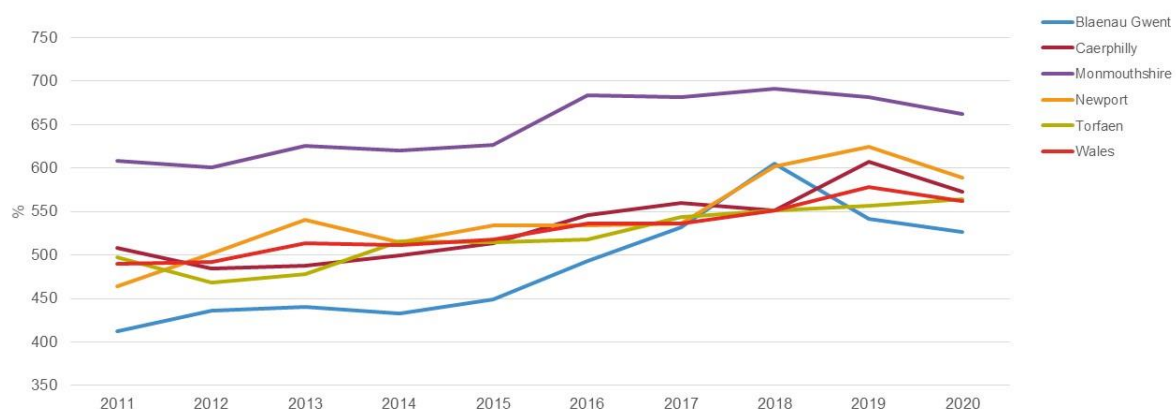


Figure 9 Gross weekly average pay (£) by place of residence Gwent local authorities, 2011 – 2020.¹³

The upward trend for gross weekly average (median) pay for Caerphilly, Newport and Torfaen full time workers has closely matched that of Wales over the last 10 years. Blaenau Gwent has been notably lower and Monmouthshire significantly higher over the period. Newport has shown the largest increase, of 30% over the period, followed by a 24% increase in Torfaen. This compares with a 19% increase for Wales.

Although there has been an upward trend over the 10 years in Blaenau Gwent, there has been a year on year decrease over the latest 2 years. The general pattern described for full time workers is similar for males and females. The downward trend from 2019 – 2020 across Gwent and throughout Wales could be attributed to the economic impact of the Covid-19 pandemic. The significant downward trend from 2018 – 2019 in Blaenau Gwent might be due to manufacturing and other sectors preparing for the UK leaving the EU with No Deal, having to focus on stockpiling capital goods at that time instead of recruiting or retaining staff.

Research from the Wales Centre for Public Policy suggests that workers on zero-hours contracts earn, on average, 6.6 per cent less than employees with similar characteristics doing similar jobs. A typical worker on a zero-hours contract, working 21 hours a week therefore earns £1,000 less a year than their equivalent on a standard contract. Whilst self-employment can offer workers more flexibility, job satisfaction and lower tax rates, there is also evidence to suggest it can mean less job security and lower pay.¹⁴

3.2 Disposable household income

GDHI (gross disposable household income) is an estimate of the amount of money that households have available for spending or saving after tax, property ownership and pension contributions etc. have taken effect, often referred to as ‘disposable income’. The amount of disposable income a household has will impact on their ability to afford food, transport, fuel and digital services – especially if the cost of those increases. Across Gwent, GDHI is at a similar level to the rest of Wales although the figure in Monmouthshire is considerably higher than other areas, and over 50% higher than in Blaenau Gwent.

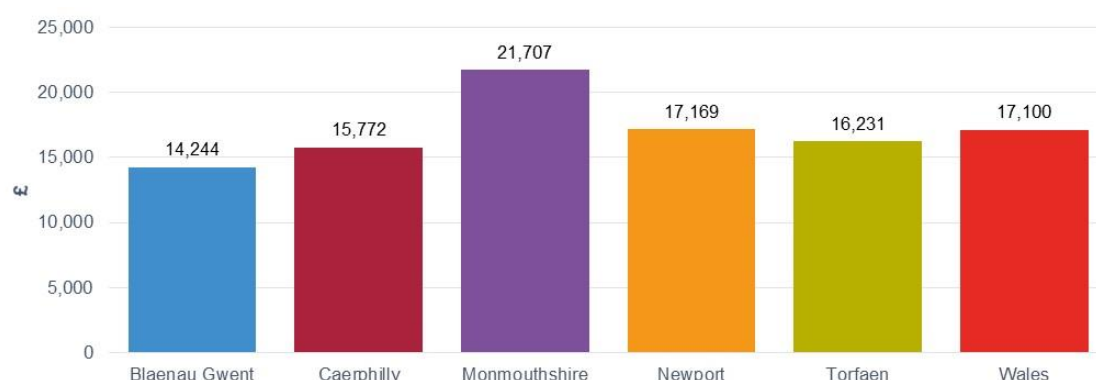


Figure 10 GDHI (£), Gwent local authorities, 2018¹⁵

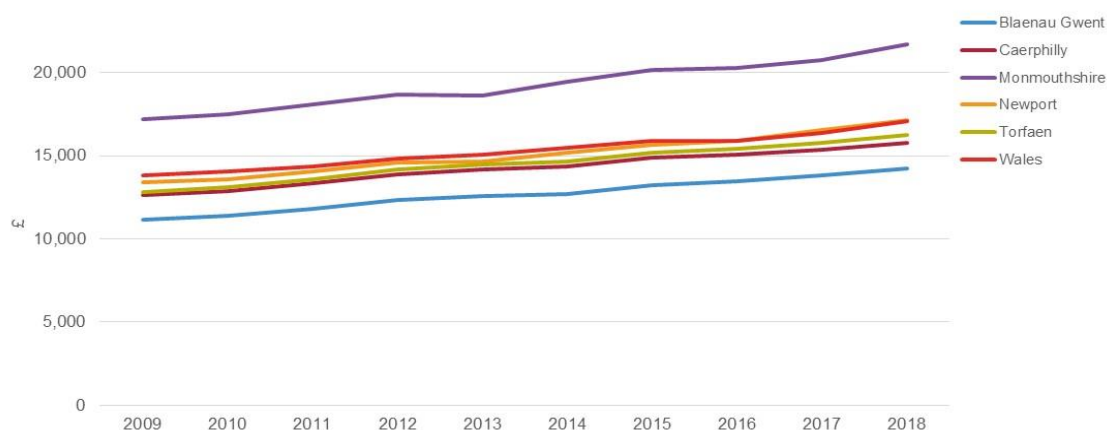


Figure 11 GDHI (£), Gwent local authorities, 2009 – 2018

Figure 10 shows the trend over time for GDHI within Gwent local authorities. All local authorities in Gwent have shown a growth in GDHI over the 10-year period from 2009 to 2018.

3.3 Working and workless households

Working households are those where all residents are working, mixed households are those with at least one of the residents working and workless households are where all people are unemployed or economically inactive.

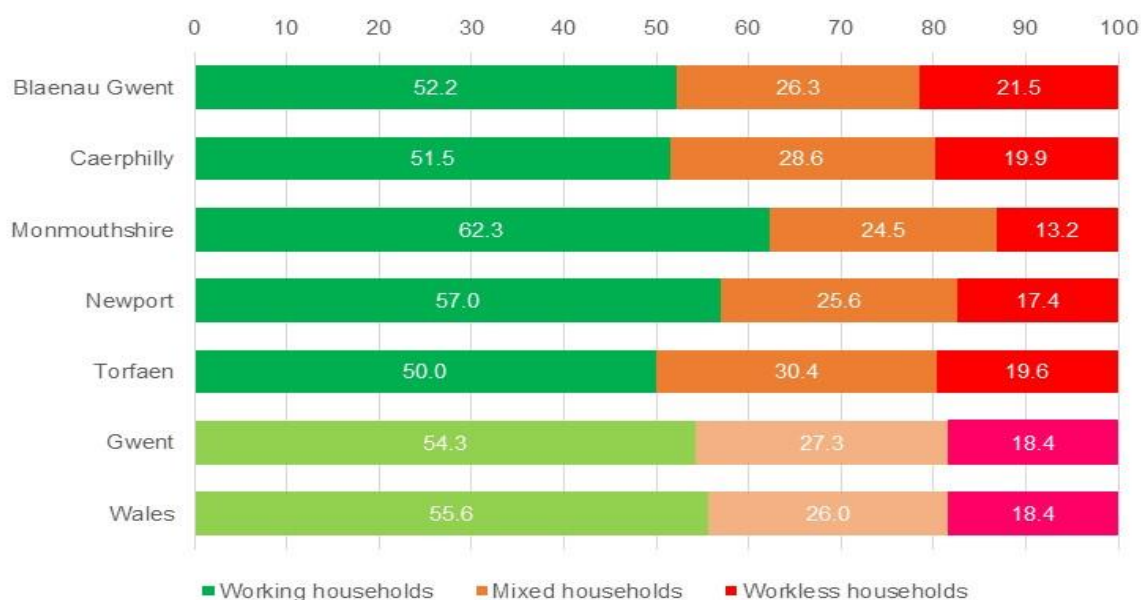


Figure 12 Working/mixed/ workless households aged 16-64 for Gwent local authorities, 2019¹⁶

There are more working households in Monmouthshire than anywhere else in Gwent and Blaenau Gwent has the highest proportion of workless households. Torfaen has the lowest proportion of working households coupled with its high proportion of mixed households.

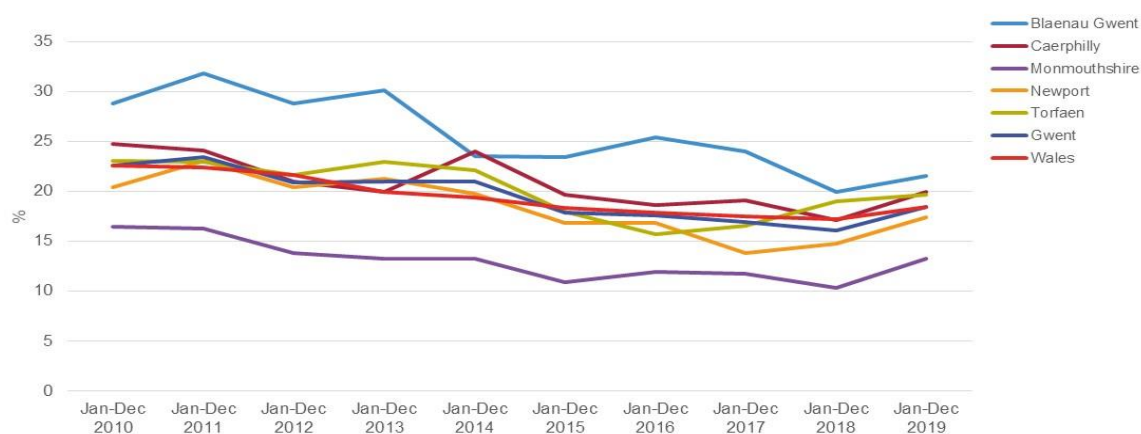


Figure 13 Workless households Gwent local authorities, 2010 – 2019¹⁷

Figure 12 shows the trend over time for workless households in Gwent local authorities. The downward trend in the rate of workless households in Gwent has closely matched that of Wales over the last 10 years. All local authorities in Gwent have shown a modest downward trend over this period.

Although the rate in Blaenau Gwent has been highest over the period, the area has shown the most improvement, with a decrease of 7% points from 29% to 22%, followed by Caerphilly with a 5% points decrease. This compares with 4% points decrease both for Gwent and Wales. The rate in workless households has remained lowest throughout this period in Monmouthshire. It remains to be seen what impact the Covid-19 pandemic and associated furlough or job losses has on these trends until the data is available.

3.4 Unemployment

Figure 13 shows the unemployment rate, which is the number of people unemployed expressed as a percentage of economically active (as opposed to employment rate which is expressed as a percentage of all persons aged 16-64). Having employment can have a positive impact on health, can improve life opportunities and provide people with the means to participate in social activities.

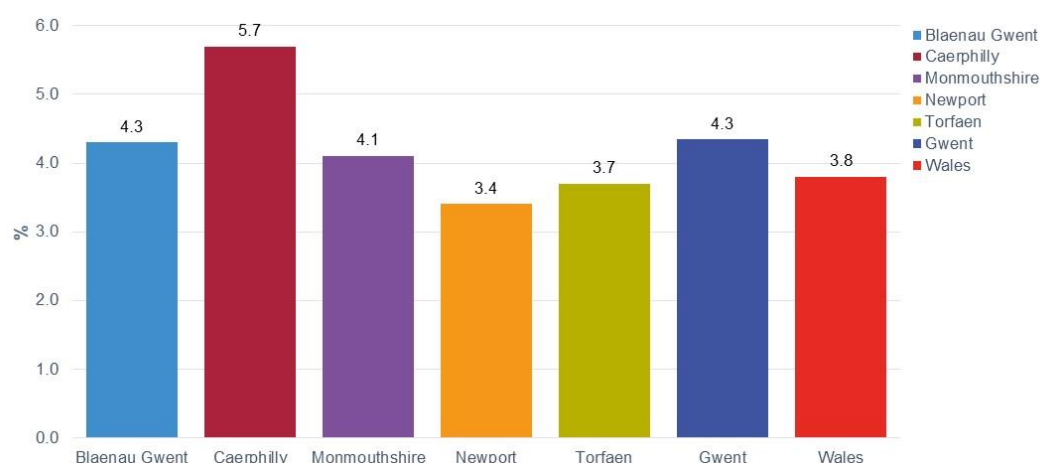


Figure 14 Unemployment rate - aged 16-64, Jan – Dec 2020. ¹⁸

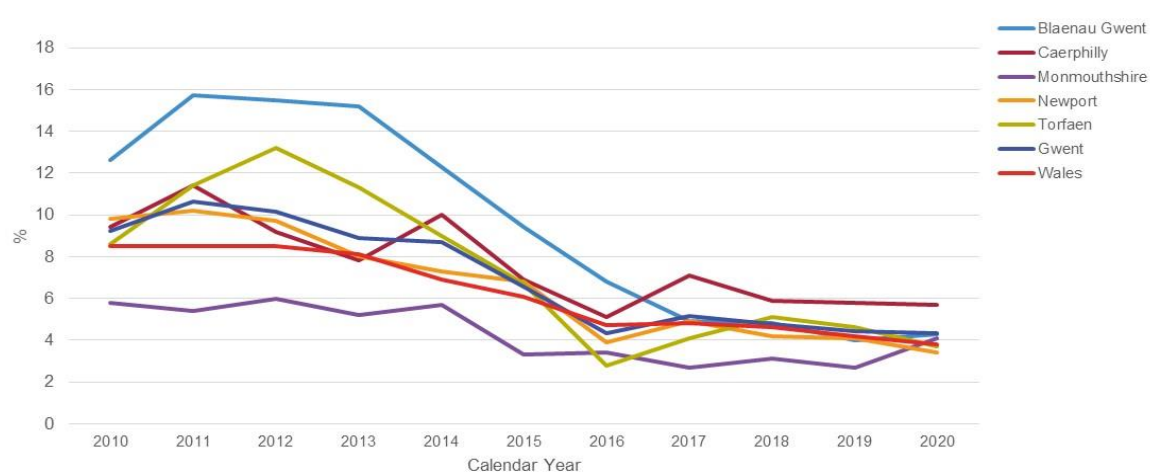


Figure 15 Unemployment rate – 2010 to 2020. Add ref as endnote¹⁹

Unemployment has decreased across Gwent since 2010. The latest four years shown (2017 – 2020), the rate has generally plateaued and even risen slightly in Monmouthshire. For the majority of this period Blaenau Gwent had the highest level of unemployment but Caerphilly has had the highest level since 2017.

Although employment data from during the pandemic is limited, it is believed that a significant number of jobs across Wales were lost while the Coronavirus Job Retention Scheme was active. Redundancy rates appear closely tied to the generosity of the furlough scheme. For instance, over the period between July and November 2020, redundancy rates in Wales surged, reaching three times their pre-pandemic average.²⁰

3.5 Coronavirus Job Retention Scheme

The Coronavirus Job Retention Scheme (CJRS – also referred to as Furlough) was applied from 1 March 2020 and finished at the end of September 2021. Figure 15 shows provisional figures for furloughing supported by the CJRS – also referred to as furlough as of 31 March 2021.

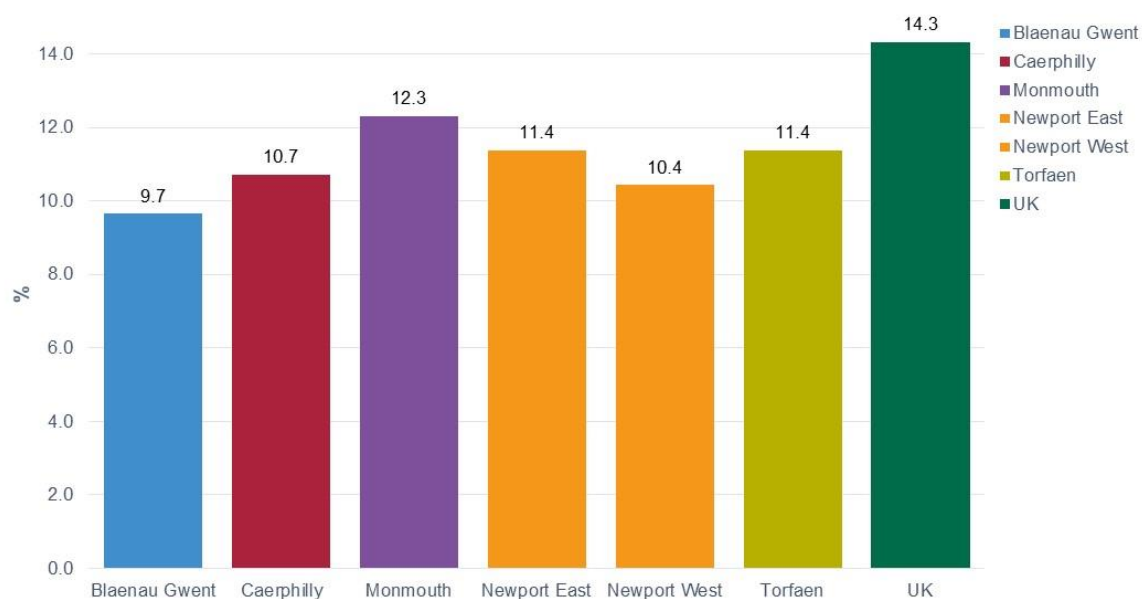


Figure 16 Furloughed employments within constituency, as of 31 March 2021.²¹

Across Gwent as of 14 April 2021 over 74,000 people were furloughed. A slightly higher proportion were female. Whilst the retention scheme kept people in employment it only provided 80% of salary costs which may have impacted on people's ability to meet their basic household expenses.

Some sectors have been much more affected by the response to the pandemic, and this is reflected in furlough levels. As of 31 March 2021, the three sectors with the highest furlough rates were the accommodation and food services, with 55% (1.06 million) of eligible jobs on furlough, the arts, entertainment and recreation sector at 54% (298,000) of jobs on furlough, and the other service activities, with 39% (211,700) of eligible jobs on furlough. All other sectors had rates of 20% or less, and over half of these had rates of less than 10%. Those aged 24 and under had the highest proportion of furloughed jobs, with women in this age group more likely to be furloughed than men.

From 1 July 2020, the scheme was made more flexible so that furloughed employees could be brought back part-time. As lockdown restrictions eased, the number of jobs partially furloughed rose while the number of those fully furloughed fell. The announcement of the November lockdown caused a much sharper increase in full furlough, and this happened again when January lockdown began.

Impact on the labour market - It is clear that the CJRS has been instrumental to avoiding a large rise in unemployment. In April 2020, the OBR (Office of Budget Responsibility) published a forecast for unemployment peaking at 10% although the highest unemployment rate in 2020 was 5.1%.²²

How many redundancies the CJRS will avoid in the longer term will depend on how the scheme is wound down. The expectation of the Office for Budget Responsibility (OBR) was that most of those on furlough at the end of January 2021 would have returned to their jobs by June²³. However, 68,800 people in Wales remained on furlough at the end of June 2021²⁴.

Being furloughed has created challenging conditions for people's economic and social well-being. For many people furloughed across Gwent, daily life may have lacked structure, purpose and motivation. This could lead to a decrease in levels of self-esteem and self-worth. Financial concerns due to income being reduced or longer-term fears of being made redundant were both common amongst furloughed workers.

Not being in contact with colleagues may increase feelings of isolation and loneliness. Having too much time to think about the current situation may be overwhelming and trigger new mental health problems or make existing ones worse. Alternatively, many found themselves with less time and struggling with additional caring responsibilities if looking after children or vulnerable relatives.

The furlough scheme came to an end in on 30 September 2021, so it is not yet clear what the long-term effect of the furlough scheme will be for people across Gwent. Demand for staff in certain industries such as tourism and hospitality may remain lower than pre-pandemic levels if some of the travel and capacity restrictions due to Covid-19 remain in place longer term, which some economists have warned could lead to a cliff-edge of job losses when the furlough scheme ends.

3.6 Welsh Index of Multiple Deprivation (WIMD)

WIMD is the Welsh Government's official measure of relative deprivation for small areas, including LSOAs (lower super output areas) in Wales. It identifies areas with the highest concentrations of several different types of deprivation, including income and employment deprivation. WIMD ranks all LSOAs in Wales from 1 (most deprived) to 1,909 (least deprived).

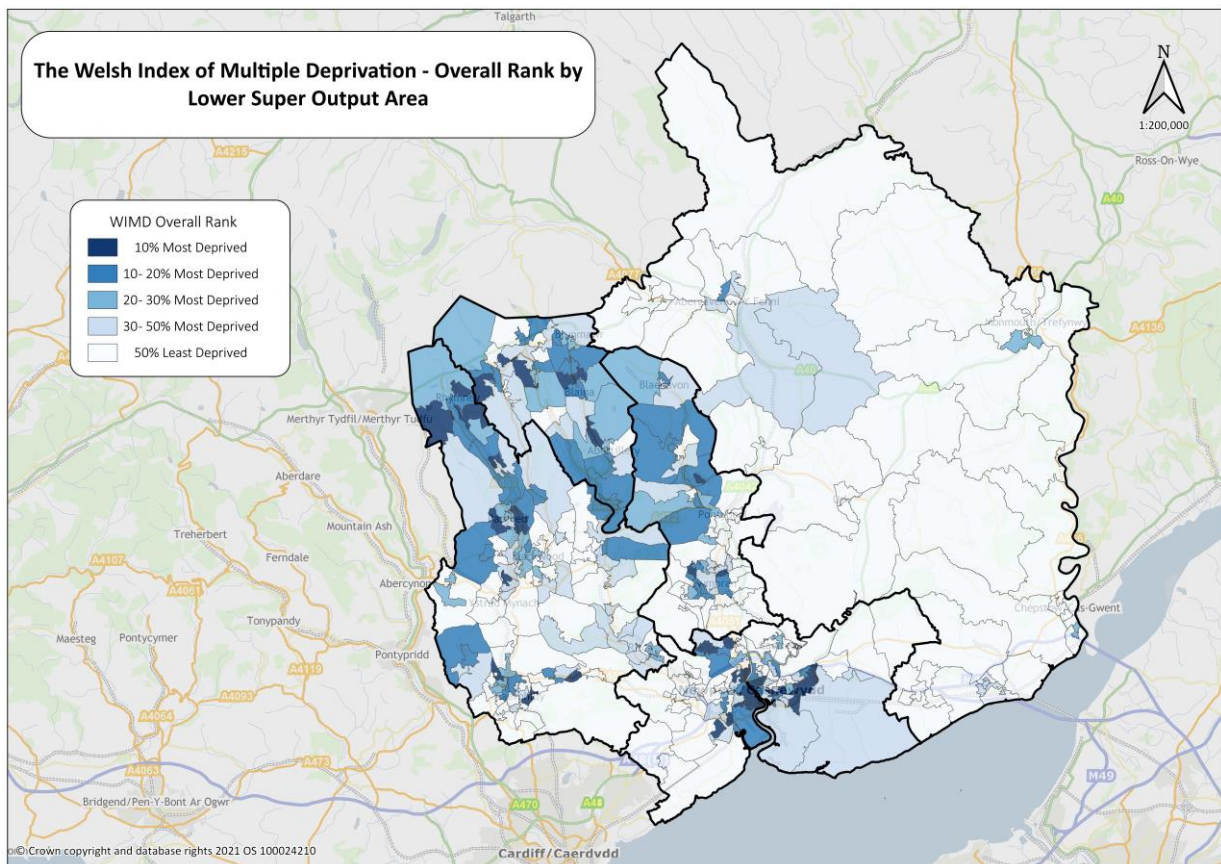


Figure 17 Gwent local authorities in highest overall WIMD deprivation ranking.²⁵

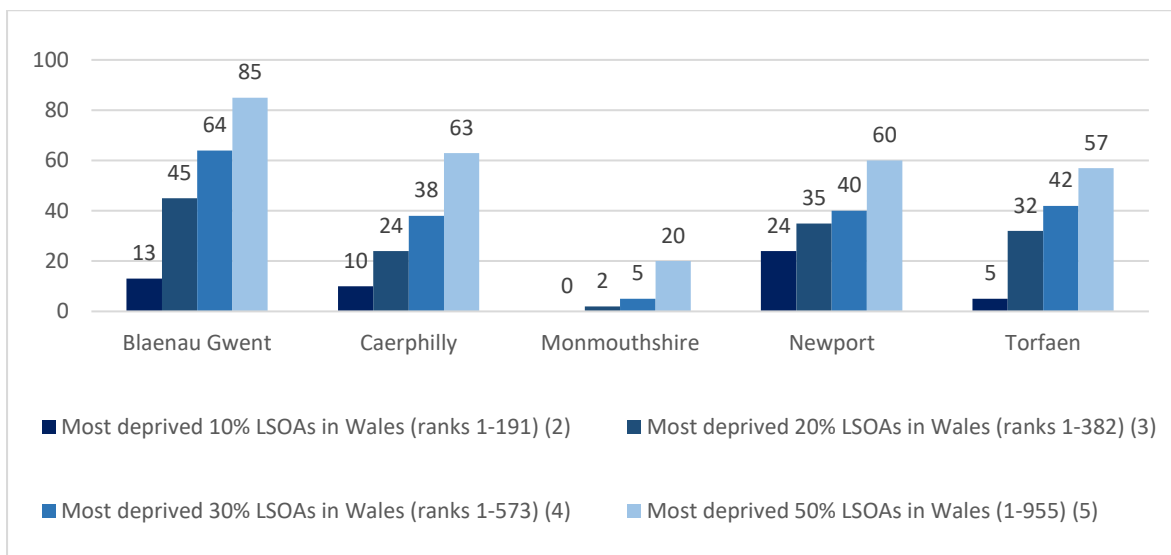


Figure 18 Percentage of LSOAs per Gwent local authority in highest overall WIMD deprivation ranking.²⁶

Figures 16 and 17 shows the location and percentage of LSOAs each local authority in Gwent has in the 10%, 20%, 30% and 50% most deprived LSOAs in Wales for overall deprivation.

Newport has the highest percentage of its LSOAs (24%) in the 10% most deprived in Wales. Monmouthshire is the only local authority in Wales with none of its LSOAs in the 10% most deprived. Blaenau Gwent has the highest percentage of its LSOAs in the 20%, 30% and 50% most deprived in Wales.

Employment deprivation is calculated from:

- Jobseeker's Allowance (JSA) claimants
- Employment and Support Allowance (ESA) claimants
- Incapacity Benefit (and Severe Disablement Allowance) claimants
- Universal Credit (UC) claimants who are not in employment

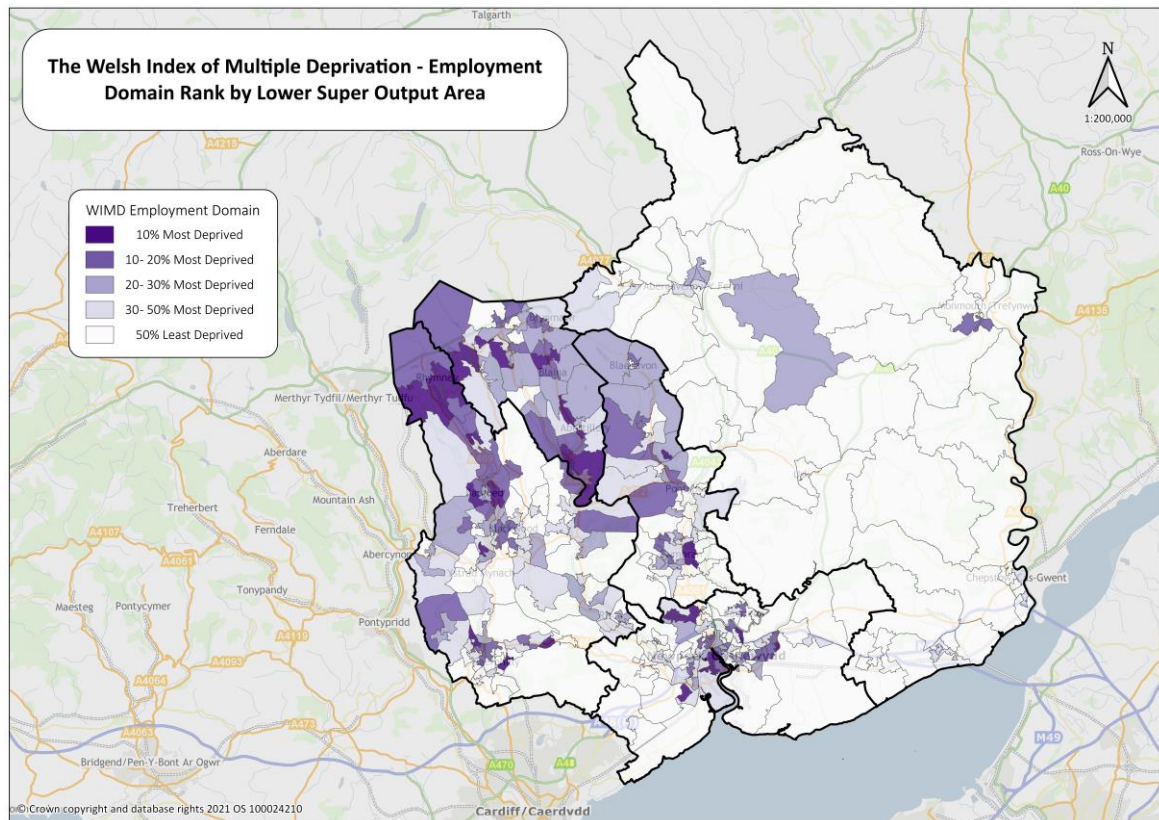


Figure 19 Location of LSOA's per Gwent local authorities in highest employment deprivation ranking²⁷

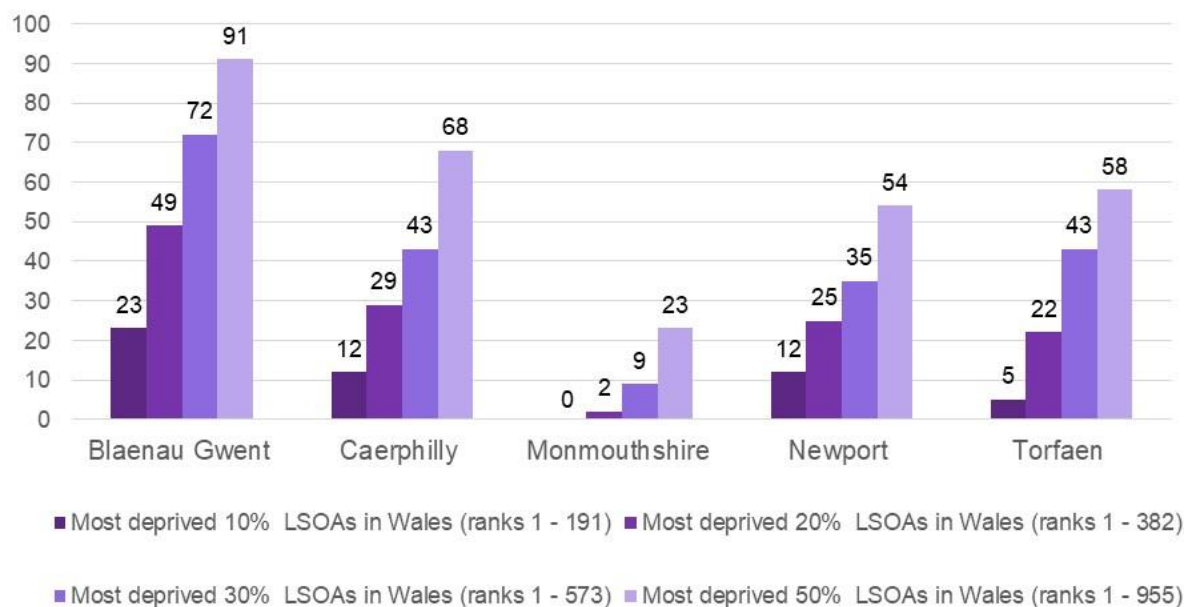


Figure 20 Percentage of LSOA's per Gwent local authorities in highest employment deprivation ranking²⁸

Figures 18 and 19 shows the location and percentage of LSOAs each local authority has in the 10%, 20%, 30% and 50% most deprived LSOAs in Wales in terms of employment deprivation.

Blaenau Gwent has the highest percentage of its LSOAs (23%) in the 10% most employment deprived in Wales. Both Caerphilly and Newport have the 7th highest rate in Wales while Monmouthshire is the only local authority in Wales with none of its LSOAs in the 10% most employment deprived, in stark comparison with Blaenau Gwent which has the highest percentage of its LSOAs in the 20%, 30% and 50% most employment deprived in Wales.

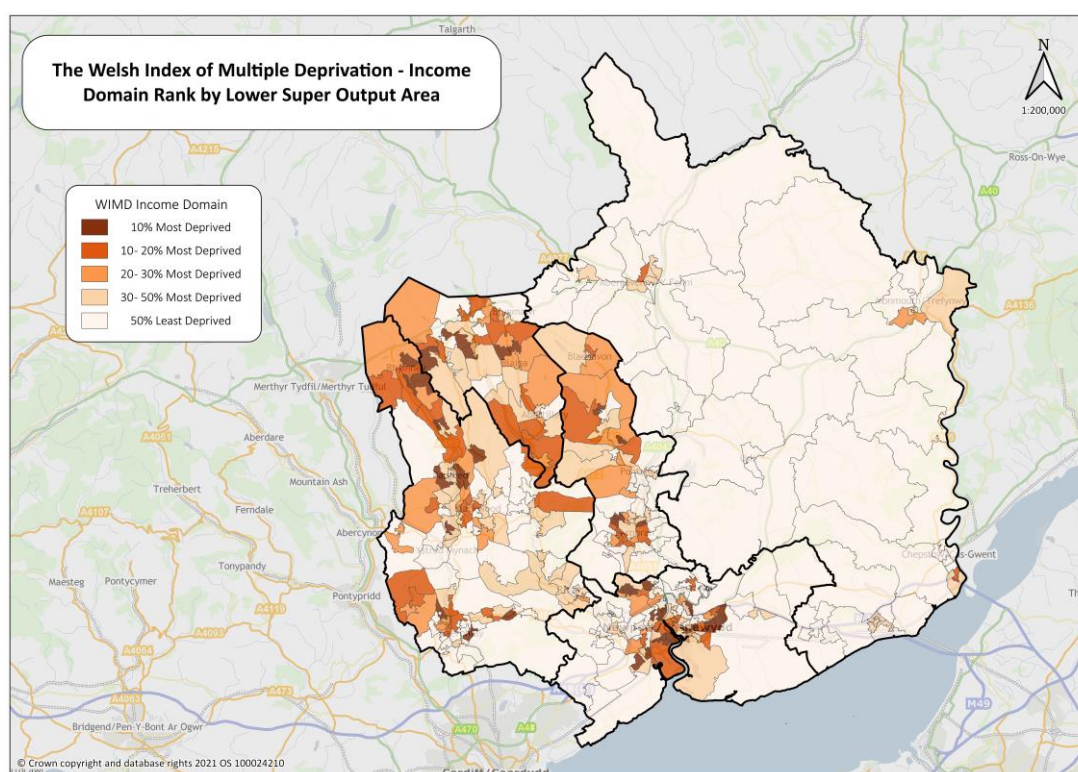


Figure 21 Location of LSOAs per Gwent local authorities in highest Income deprivation ranking²⁹

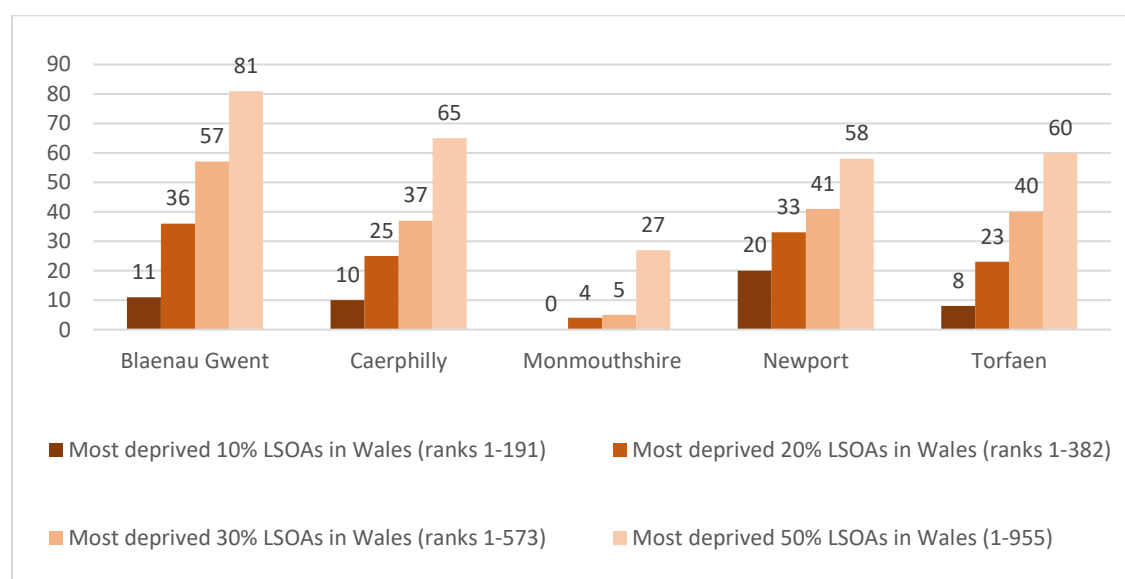


Figure 22 Percentage of LSOA's per Gwent local authorities in highest income deprivation ranking³⁰

Income deprivation is calculated from:

- Income related benefit claimants; this includes Income Support claimants, Jobseeker's Allowance claimants, Pension Credit claimants, and Income Based Employment and Support Allowance claimants; and their dependent children
- The number of children and adults within families that are in receipt of Working Tax Credits and Child Tax Credits with an income which is less than 60% of the median income for 31 Wales (Before Housing Costs);
- Supported Asylum Seekers i.e. those who were supported under Section 95 of the Immigration and Asylum Act and their dependent children
- People on Universal Credit and their dependent children.

Figures 20 and 21 shows the location and percentage of LSOAs each local authority has in the 10%, 20%, 30% and 50% most deprived LSOAs in Wales in terms of income deprivation.

Newport has the highest percentage of its LSOAs (20%) in the 10% most income deprived in Wales, not only compared to Gwent local authorities but for all 22 local authorities in Wales. At an overall Gwent level this is 11% of LSOAs (derived from Health Board Level data). Monmouthshire is the only local authority in Wales with none of its LSOAs in the 10% most income deprived. Blaenau Gwent has the highest percentage of its LSOAs in the 20%, 30% and 50% most income deprived in Gwent and Wales.

Income deprivation doesn't necessarily stem from worklessness. The risk of poverty for adults living in working households in Wales rose by 26.5% between 2004 – 2015. From 2017-18 to 2019-20, 47% of working-age adults in Wales who were living in relative income poverty (after housing costs) were in households where at least one household member was in employment or self-employed.³¹ This is often due to increased costs of living for people in both the social and private rented sector, particularly for lone-parent families or families with children who require support.³²

3.7 Claimant count

The Claimant Count is the number of people claiming benefit principally for the reason of being unemployed. This is measured by combining the number of people claiming Jobseeker's Allowance (JSA) and National Insurance credits with the number of people receiving Universal Credit principally for the reason of being unemployed. Claimants declare that they are out of work, capable of, available for and actively seeking work during the week in which the claim is made.

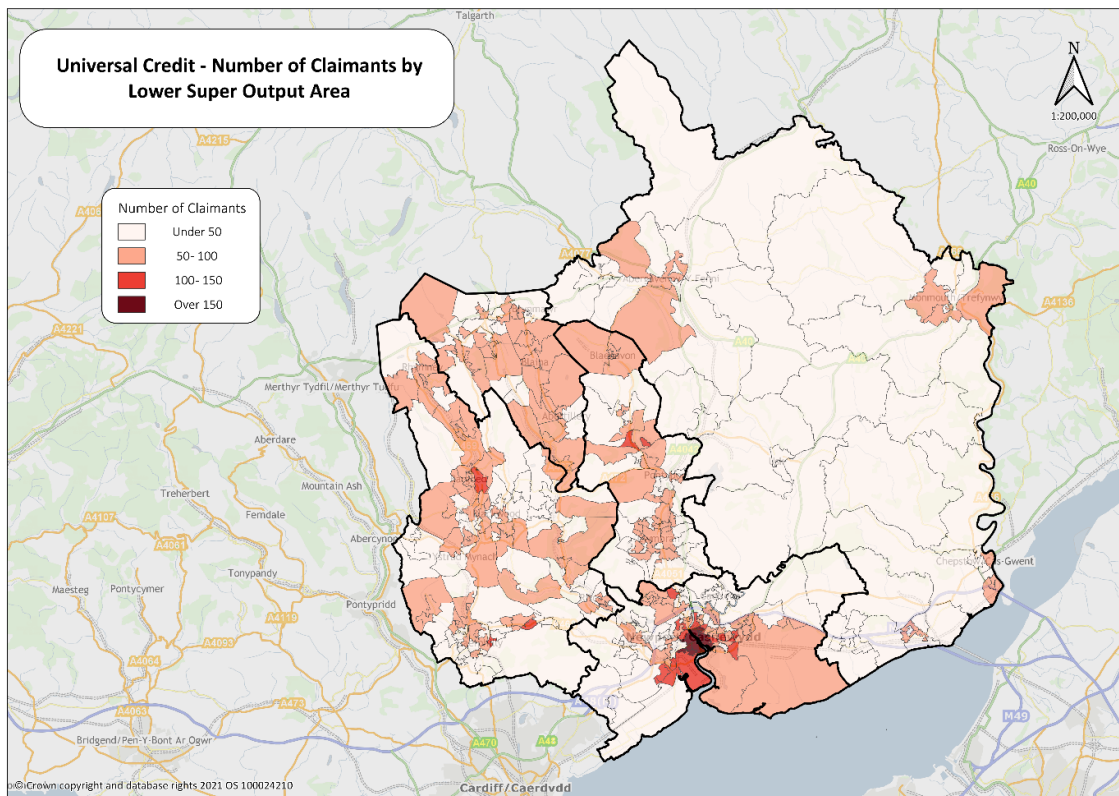


Figure 23 Claimant count - residents aged 16-64, May 2021

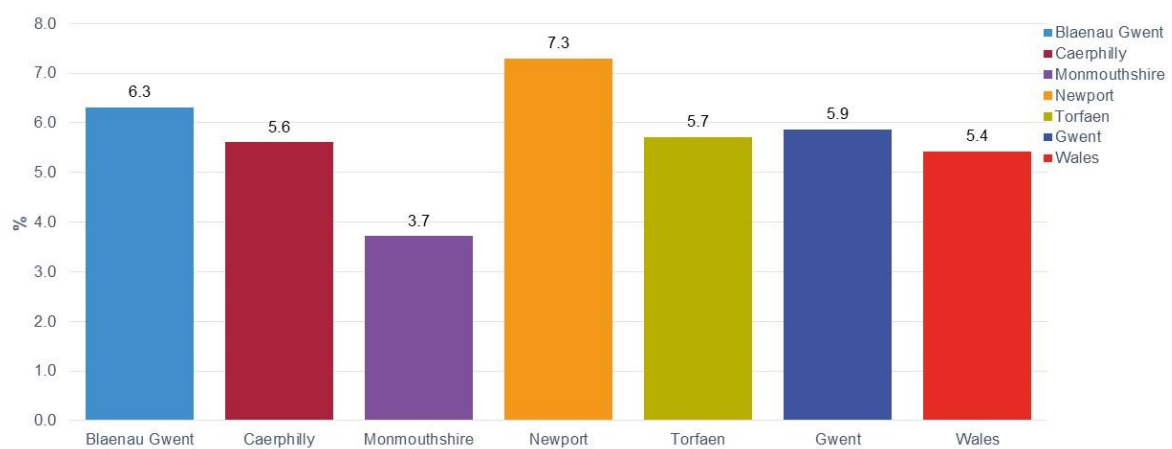


Figure 24 Claimant count as a percentage of residents aged 16-64, May 2021³³

As of May 2021, the claimant count as a percentage of those aged 16-64 is higher at 5.9% in Gwent compared to 5.4% for Wales. This ranges between 3.7% in Monmouthshire and 7.3% in Newport, with the lowest and highest rates out of 22 local authorities in Wales. Figure 22 shows that some LSOAs in Newport have a significant number of claimants compared to the rest of Gwent, with 20% of LSOAs having between 100 and 150 and claimants and 6% between 155 and 305 claimants. Newport and Blaenau Gwent have the top two highest rates in Wales, whereas Monmouthshire's rate is the lowest.

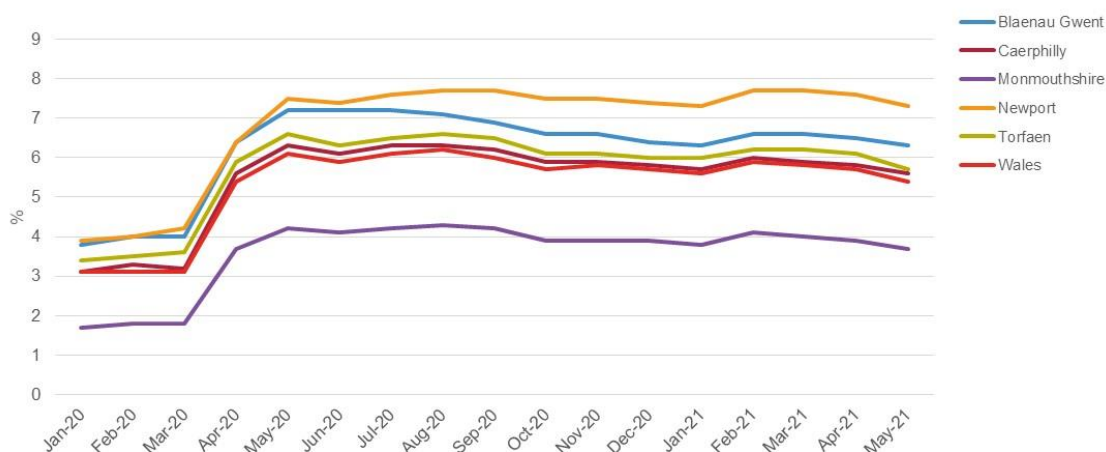


Figure 25 Claimant count as a percentage of residents aged 16-64

Figure 24 shows the sudden significant increase in the claimant count between March – May 2020 across all local authorities in Gwent and Wales as a whole due to the economic impact of the Covid-19 pandemic. The rise in claimant count since the start of the pandemic has affected people across all age groups in Gwent. The average claimant rate for Gwent local authorities in March 2020 was 3.4% rising to 6.4% in May 2020, which has remained high since. The current rate for Gwent being 5.9%.

3.8 Changes to welfare benefits

Universal credit cut - impact by constituency

An analysis by the Joseph Rowntree Foundation on 26th Aug 2021 shows the number and proportion of families who will be impacted by the £20-a-week cut to Universal Credit and Working Tax Credit in each UK parliamentary constituency.

Universal Credit cut: impact by constituency of the planned cut to Universal Credit and Working Tax Credit in October:

- 140 constituencies would see more than one in four of all families (with or without children) affected.
- On average 21% of all working-age families (with or without children) in Great Britain will experience a £1,040-a-year cut to their incomes on 6 October.
- Over 400 constituencies are set to see over one in three working-age families with children hit by the cut.

In March 2020, as we were faced with the economic fallout from the pandemic, the Government recognised that our social security rates were too low to protect families when they need it. The Government increased Universal Credit and Working Tax Credit by £20 a

week. However, this £20 a week was cut from 6 October 2021. This cut will impose the biggest overnight cut to the basic rate of social security since the foundation of the modern welfare state.

As much as 6 million low-income families will lose £1,040 from their annual income, creating serious financial hardship and leave 500,000 people to be swept into poverty - including 200,000 children. Families with children will be disproportionately impacted and 6 in 10 of all single-parent families in the UK will be impacted.

Figure 23 shows the constituency estimate percentage of families in Gwent who will be impacted by the cut to Universal Credit and Working Tax Credits in October 2021.

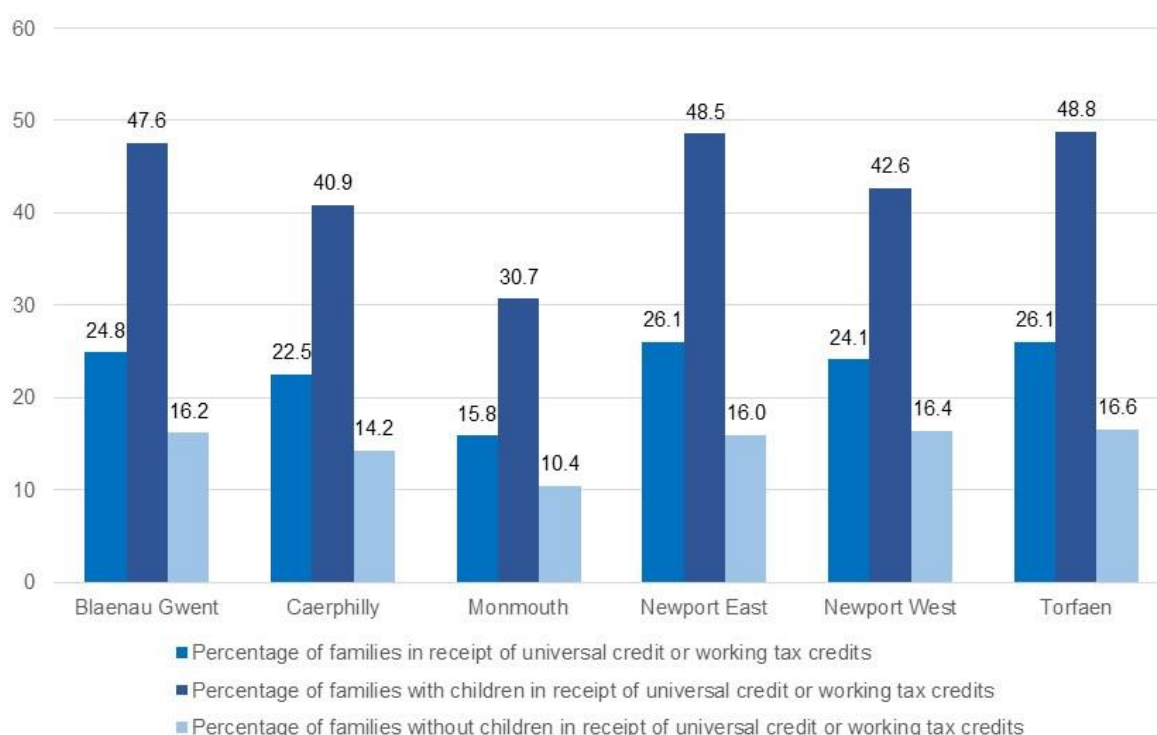


Figure 26 Percentage of families impacted by cut to universal credit and working tax credits in October 2021.³⁴

The estimated percentage of families who will be impacted by the planned cut to Universal Credit and Working Tax Credits ranges between 15.8% in Monmouthshire and 26.1% in both Torfaen and Newport East constituencies. The latter being the third and fourth highest rate of 40 constituencies in Wales.

A much bigger percentage of families with children in receipt of Universal Credit and Working Tax Credits will be affected as this ranges between 30.7% in Monmouthshire and 48.8% in Torfaen, the third highest rate in Wales. Although Newport East and Blaenau Gwent are not far below Torfaen with 48.5% and 47.6% respectively.

3.9 Economically Inactive

Economic activity for an area is made up of two fundamental components, those in the area that are economically active and those that are economically inactive. The economically

inactive include those that are students, looking after family, temporary or long-term sick and retired.

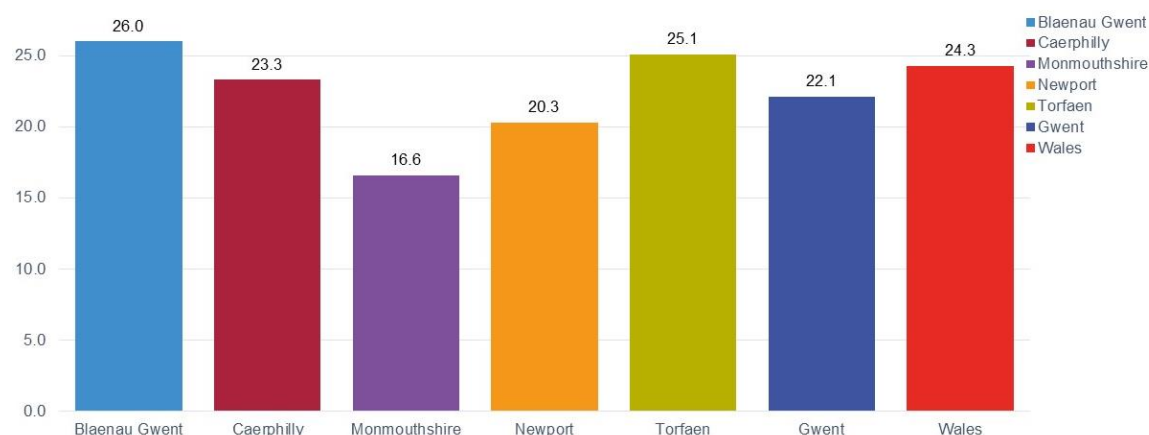


Figure 27 Economic inactivity rate - aged 16-64, Jan – Dec 2020³⁵

The percentage of those aged 16-64 economically inactive is lower in Gwent compared to the Wales average. This however ranges between a low of 16.6% in Monmouthshire and highs of 25.1% in Torfaen and 26% in Blaenau Gwent.

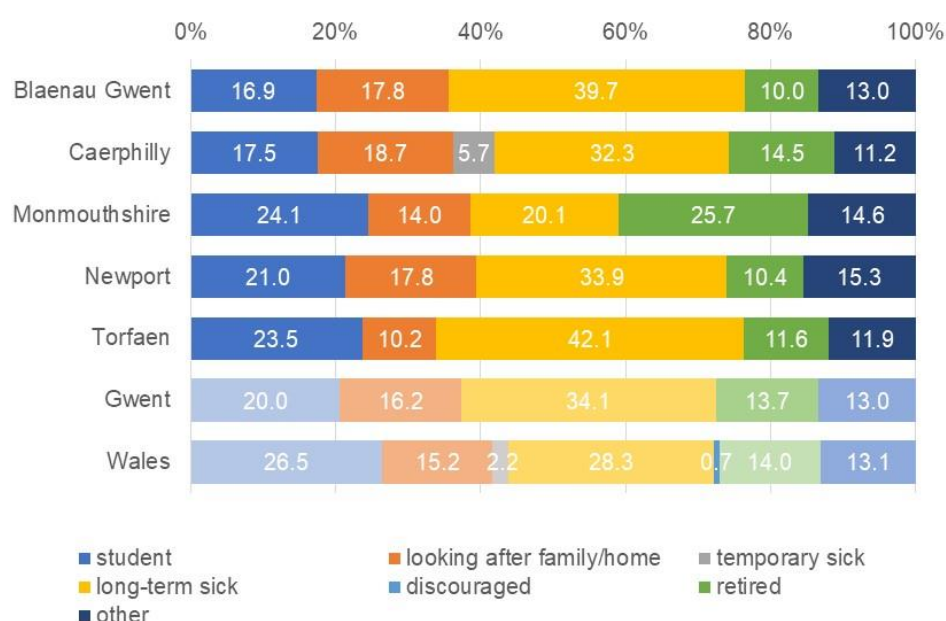


Figure 28 Economic inactivity rate by reason, Jan – Dec 2020³⁶

Gwent has a similar percentage of economically inactive to Wales who are looking after family/home, retired and 'other'. However, Gwent has a notably higher percentage of long-term sick (34.1% compared to 28.3% in Wales) but a lower percentage of students (20.0% compared to 26.5% in Wales).

For economically inactive at a local authority level, the percentage of long-term sick is particularly high in Torfaen (42.1%) and Blaenau Gwent (39.7%), especially when compared to Monmouthshire which has about half the rate at 20.1%. Almost half (49.8%) of those economically inactive in Monmouthshire are either students or retired people. This is a significantly higher proportion compared to the other local authorities in Gwent.

Monmouthshire, like much of Wales and the UK, has an ageing population – and although growth in the number of older people can bring huge benefits to an area, it can also place increased pressure on public services as people become more likely to require care or support in later life. We are seeing evidence of this in the health and social care sector currently, with higher demand combined with a lack of social care staff resulting in a service pressures across the system.³⁷

This also means more people may take on caring responsibilities for family or friends whilst ageing themselves, and can require Third Sector organisations to increase their capacity in order to support older people or help them become more connected with their local communities. More information on this is also covered in the Gwent Regional Partnership Board's Population Needs Assessment.

3.10 Not in education, employment or training (NEET)

Data is not available at a local authority level and relates to the 2020 calendar year at a Wales level, most of which was during the Covid-19 pandemic.

Education, employment and training opportunities during 2020 may have been impacted by the pandemic (data released April 2021).

16 to 18 year olds

Overall, the proportion of 16 – 18 year olds who are NEET had been gradually decreasing between 2011 and 2017, but increased slightly in 2018 and 2019. The size of this increase varies depending on the source used.

On the statistical first release basis (SFR), at end 2019, 11.1% of 16 – 18 year olds were NEET (11,200) compared with 10.6% (10,800) at end 2018. On the Annual Population Survey (APS) basis, for the year ending 2020 Quarter 4, 7.4% of 16 – 18 year olds were estimated to be NEET, compared with 10.2% at the year ending 2019 Quarter 4.

2020 pupil destination data from Careers Wales suggests that just 1.7% of Year 11 and 0.6% of Year 12 aged young adults in Gwent are known not to be in any form of Education, Training or Employment. This increases to 6.1% of Year 13 aged young adults.³⁸

19 to 24 year olds

On the SFR basis, at end 2019 15.7% of 19 – 24 year olds were NEET (37,400) a decrease compared with 16.0% (38,500) in 2018.

After the start of the 2008 recession, the proportion of 19 – 24 who were NEET saw a large increase from 17.4% in 2008 to around 22% to 23% between 2009 – 2012. It then decreased each subsequent year up to 2017. The decrease was driven by increased labour market activity, with participation in education and training remaining fairly stable.

On the APS basis, for the year ending 2020 Quarter 4, 14.9% of 19 – 24 year olds were estimated to be NEET, compared with 15.6% for the year ending 2019 Quarter 4³⁹.

3.11 Food banks

Trussell Trust figures cannot be used to fully explain the scale of food bank use across the UK, because the figures relate to food banks in their network and not to the hundreds of independent food banks. Parcels refer to the number of emergency food parcels distributed by food banks which can either provide three-days or seven-days' worth of supplies. No equivalisation has taken place to scale seven-day parcels down to three.

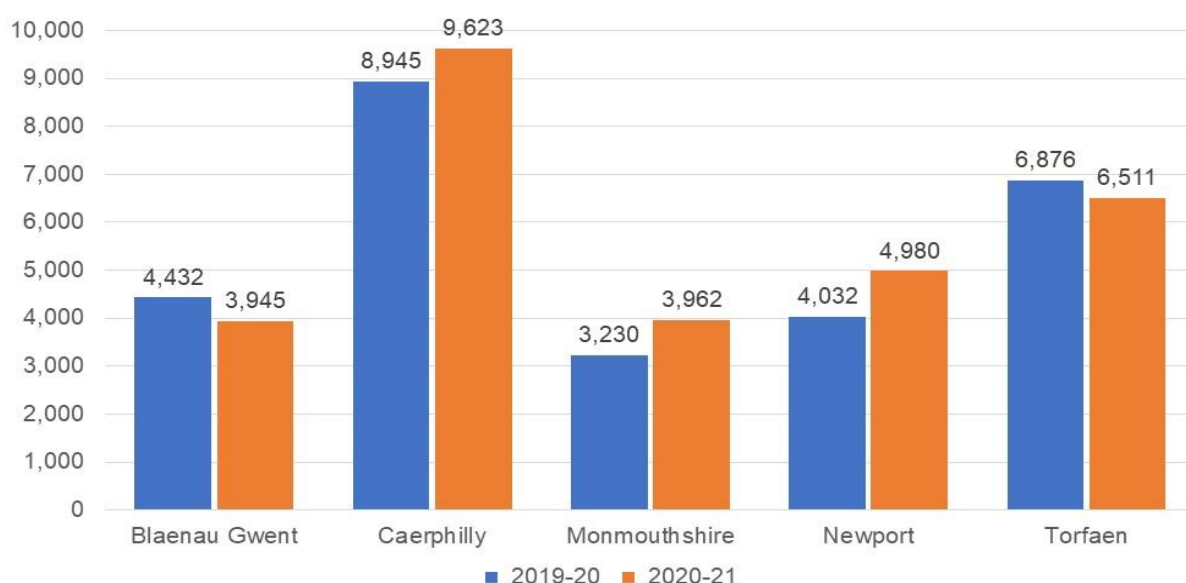


Figure 29 Food parcel deliveries, Trussell Trust distribution⁴⁰

In 2019-20 Wales distributed a total of 134,892 food parcels. There were 27,515 parcels distributed in the Gwent between the five local authorities. Blaenau Gwent dispatched 4,432, Caerphilly 8,945, Monmouthshire 3,230, Newport 4,032 and Torfaen 6,876.

Then in 2020-21 an increased amount of 145,828 (up 8%) was distributed around Wales and, the amount of parcels distributed around Gwent also increased by 1,506 (up 5%) meaning 29,021 were given out. For Blaenau Gwent the number of food parcels distributed decreased to 3,945 but, all the other local authority's distribution amounts increased. Caerphilly distributed 9,623, Monmouthshire 3,962, Newport 4,980 and Torfaen 6,511.

At the beginning of the pandemic the Trussell Trust reported that there was a 21% increase in the demand for food parcels in Wales, this is due to the reduction of household incomes as most people were unable to work during the pandemic therefore, more members of the public had to use their local food bank. In Wales accessible schemes were developed during the pandemic for those who were experiencing crisis such as the Discretionary Assistance Fund (DAF).

Comparisons in the growth in food parcel distribution between areas should be made with caution. There are many different factors that may influence the number of parcels distributed within a local area, such as prevalence of other food banks. For example, in Blaenau Gwent the reduction is probably due to an increase from donations and community food bank provision elsewhere, for instance through Third Sector community groups and Rotary Clubs, who were increasing their capacity during the pandemic and providing more of an independent food bank service.

These services are not taken into account in the Trussell Trust figures. Many of these local and Third Sector providers, whilst fulfilling an important short-term role, are unable to provide sustainable long-term solution unless support is provided to enable them to offer a more holistic approach that tackles the wider determinants of food poverty.

It is also important to note here that food bank use on its own is not the only indicator for food poverty and food insecurity. Many families and households may not meet the low income or unemployment thresholds for some food bank vouchers or continue to avoid food banks due to the stigma associated with having to rely on them, so food bank use alone is just the tip of iceberg when it comes to determining levels of food poverty within any area or region.

3.12 Food security

The Food Foundations report “The Impact of Covid-19 on Household Food Security” is based on data collected from seven rounds of nationally representative UK-wide surveys to monitor levels of food insecurity impacted by Covid-19 undertaken between March 2020 and January 2021.

Key findings from the report state that despite vital emergency measures in place, more people are food insecure now than before the pandemic. Community and voluntary sector groups helped millions of vulnerable people but evidence shows too many food insecure households have struggled to access support. Reliance on overstretched food banks and food aid charities is not a sustainable safety net for individuals and families who can't afford a decent diet.

Households with children have consistently found it harder to put food on the table, particularly lone parents, large families, and low-income families. Covid-19 has deepened the financial hardship faced by low income households and has also created a newly vulnerable group who were financially stable pre-Covid.

The January 2021 picture of food insecurity is also reported, stating that:

- 22% of households have lost income since before the pandemic

- 9% of adults have experienced food insecurity in the past 6 months
- 12% of households with children live in households that have experienced food insecurity in the past 6 months
- 41% of households with children on Free School Meals have experienced food insecurity in the past 6 months

Some groups with higher levels of food insecurity:-

- 'Limited a lot by health problems/disability' are 5 times greater than those with no health problems/disability
- 'Severely clinically vulnerable' are twice as high as the average
- Food sector workers are 50% higher than compared to non-food sector workers
- Black And Minority Ethnic (BAME) households are twice as likely to suffer from food insecurity than White British
- Survey responses indicate that drivers of food insecurity are 55% not enough money, 31% isolation, 23% lack of supply and 8% 'other.'

There are 3 main recommendations to address food poverty⁴¹:

1. **Review free school meals:** to ensure Free School Meals are delivering maximum nutritional and educational impact and promoting children's learning and well-being throughout the school day. It should review the current eligibility threshold to make sure no disadvantaged children are missing out on the benefits of a Free School Meal.
2. **Pay fair and keep the uplift:** Businesses need to pay their employees the Real Living Wage. Combating the dire economic impact of the pandemic will require a broader set of policies to boost incomes for poorer households including the permanent retention of the £20 uplift to Universal Credit (and its extension to those on legacy benefits), and the removal of the 5-week wait for Universal Credit, the two-child limit and the benefit cap.
3. **leadership and action on food insecurity:** As we move out of crisis mode, we need a designated authority in Government who has oversight on food insecurity tracking or responsibility to tackle it, with powers to inform and drive action at the national and local authority level in response to the data.

Further work has been undertaken using the 'current data' from the Food Foundation survey mentioned above, of 4,231 adults across the UK conducted in late January/early February 2021, by academics from Manchester Metropolitan and Sheffield Universities.

Their 'local' estimates use a technique that includes a multilevel logistic regression-based small area estimation approach. This includes an estimate of the key relationships between predictor variables and the food insecurity outcome variables. The Local authority codes are included in the survey to enable the small area estimation.

Food banks have been set up in communities where people have recognised this problem of hunger with the intention of meeting immediate food needs. Hunger is understood as having been hungry at least once in the previous month but were unable to get food.

The study identifies two further measures. Those who struggle include people who have cut back on food or skipped meals and those who worry about being able to adequately supply the food they need for themselves and their families. This latter group are typically considered marginally food secure because they have enough food. However, they may have traded down on the nutritional quality of the food they purchase.

An insecure food supply chain and reliance on surplus food e.g. end of day supermarket/ bakery stock has led to an environment where those in poverty are fed with a) waste from mainstream society and b) nutritionally poor foods. This has long term impacts on diet related ill-health. The Trussell Trust however has a commitment to provide nutritionally balanced food packages. Community food redistribution points could be better equipped in terms of resources and knowledge to provide long term benefit to people struggling to feed themselves and help them move out of poverty.

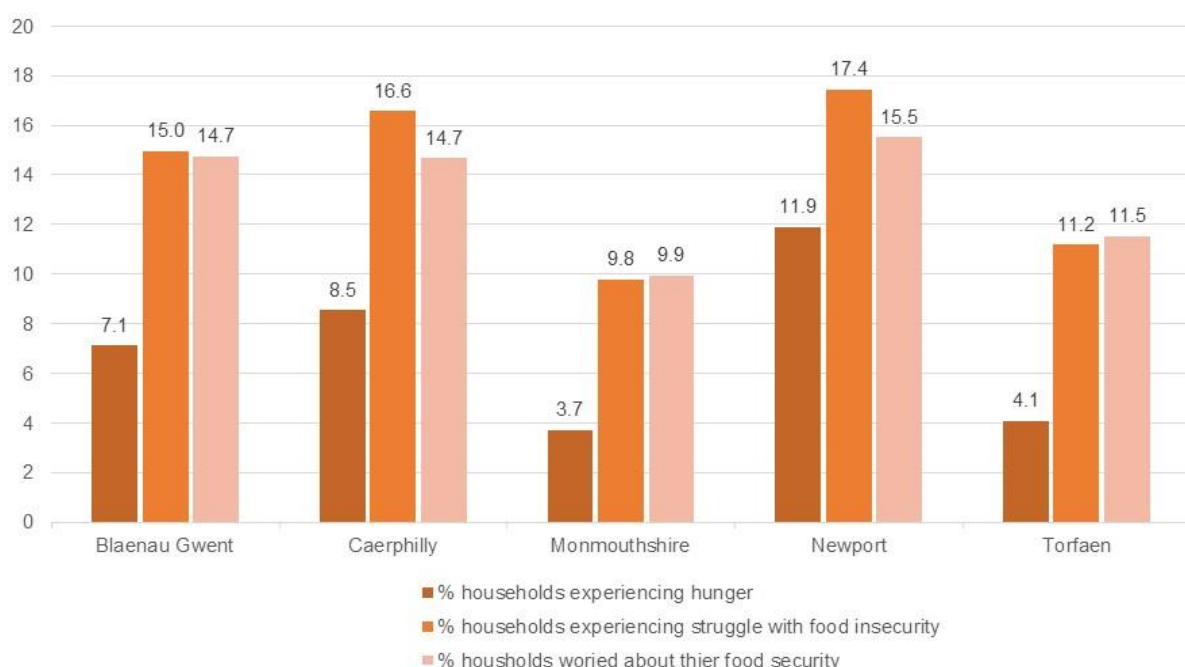


Figure 30 Food poverty groups, January 2021⁴²

Each of the local authorities in Gwent are shown to have experienced levels of food poverty. Newport in particular is estimated to have 11.9% of households experiencing hunger, the highest percentage not only in Gwent but in Wales and third highest in the UK. Newport also has the second highest percentage of households in Wales, 17.4% experiencing 'struggle with food insecurity', and 15.5% 'worried about their food security'. Caerphilly and Blaenau Gwent also have a large percentage of households experiencing food poverty, being in the top quartile for each measure in Wales.

The authors of the study encourage researchers and policymakers to consider ways to provide support that extends beyond addressing the immediate food needs of the severely food insecure and use these data as a benchmark to demonstrate improvement over time. Also,

to use the data to inform local and national policy debates that have implications for either exacerbating food insecurity or increasing food security across the UK.⁴³

4. Childcare

Working parents of three and four year olds in Wales (all parents in the household must be working and earn less than £100,000 per year in total) can get 30 hours of free funded childcare per week for 48 weeks a year. If they need to pay for 20 extra hours to take this up to a full time place (50 hours per week to factor in commuting time), the average weekly price in nursery would £89.12 across Wales.⁴⁴ The 30 free hours of childcare provision does not however extend to families where a parent is in training, so it is difficult for those parents to boost their employment opportunities through training without access to the funded childcare.

All children aged three to four are entitled to at least 10 hours per week of free funded childcare, regardless of whether or not the parent or parents are in employment. Some two to three year olds in Wales can get 12.5 hours a week of free childcare as part of the Flying Start scheme, which is provided in targeted areas where deprivation is higher than average. Despite the support available for parents across Gwent, it still means that access to and availability of childcare for the remainder of a working week can be a real barrier to employment for many.

Childcare is not just a service for parents who work; it is a valuable service for children too. Research indicates that childcare can provide immediate and long-term benefits to children from the poorest backgrounds if they receive high quality provision in their early years, improving prospects future generations.⁴⁵

Under the Childcare Act 2006 local authorities have a statutory duty to secure sufficient childcare for the needs of working parents and carers in their area, for children up to 1 September after they turn 14 years, or until they reach the age of 18 in the case of children with a disability.

Assessments carried out for the 5 local authorities in Gwent in 2017 tell us that the total number of registered and unregistered childcare providers and total number of spaces available across Gwent are as follows.

- Blaenau Gwent – 66 providers offering 1,329 places⁴⁶
- Caerphilly – 346 providers offering 2,080 places⁴⁷
- Monmouthshire – 115 providers offering 2,304 places⁴⁸
- Newport – 151 providers offering 5,632⁴⁹ (*as at March 2021*)
- Torfaen – 151 providers offering 4,286 places⁵⁰

The Assessments also demonstrated that there are a variety of different reasons for parents with children using childcare services. The most common reasons for using childcare across Gwent were for employment or seeking employment. Other common reasons include the social or learning benefits for the child/children, university or college study.

However, engagement with parents identified expensive childcare costs as being a big factor for not using childcare, making it unaffordable for many families across Gwent, and also highlighted a need for more flexible opening times/wraparound arrangements to assist parents on irregular shift patterns. Parents looking after children because childcare costs are too expensive or they're unable to find support at suitable times of the day often leads to increased economic inactivity.

The Assessments indicate that there are a reasonable range of types of provision across most community planning areas. However, Welsh medium childcare and provision for children with special and educational needs and disabilities is generally low across Gwent. Being a stay-at-home parent or receiving support from family or friends who look after children were the most common reasons for parents in Gwent not using childcare.

5. Business

5.1 Businesses demography

Business demography gives an estimate of the number of registered (i.e. VAT or PAYE) business births and deaths as well as survival rates.

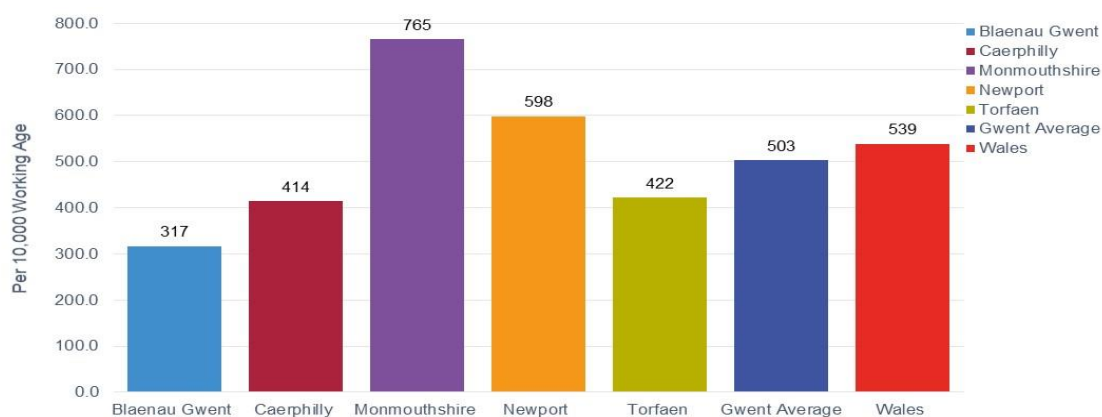


Figure 31 Active business enterprises per 10,000 working age, 2019⁵¹

The number of active business enterprises per 10,000 of the population is lower at 503 for Gwent compared to 539 for Wales. This ranges between 317 in Blaenau Gwent and 765 in Monmouthshire, which are also the lowest (Blaenau Gwent) and second highest (Monmouthshire) rates of 22 local authorities in Wales. Caerphilly and Torfaen have the 4th and 5th lowest rates in Wales respectively.

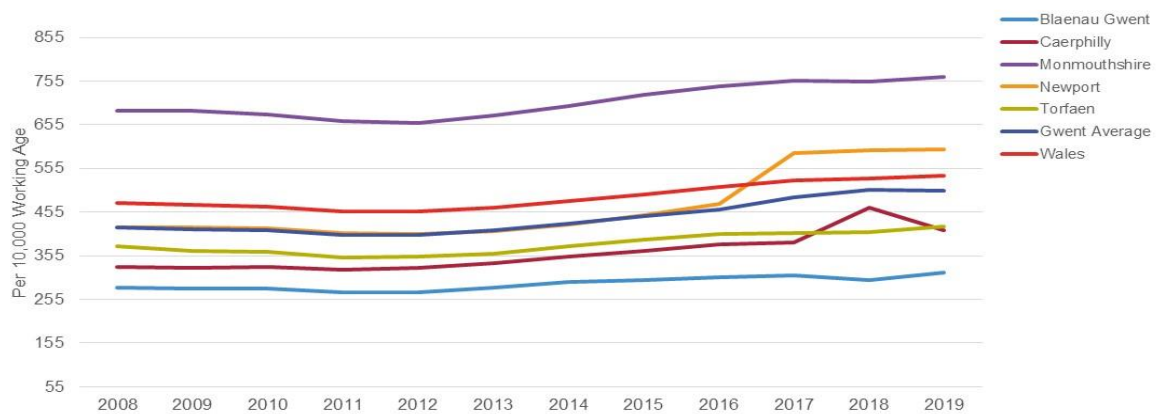


Figure 32 Active business per 10,000 working age, 2008 - 2019

Figure 32 shows the trend over time for active businesses per 10,000 population working age. The rate in Gwent has shown a slight upward trend since 2008, which generally became more pronounced between 2017 – 2019, particularly in Newport and Caerphilly. It is worth investigating why there was such a significant increase in 2017 and subsequent decrease in Newport.

Both local authorities also showed the largest increase in the number of active businesses between 2008 – 2019 with 178 and 84 more active businesses respectively per 10,000 of the population. The rate has constantly been lowest in Blaenau Gwent and highest in Monmouthshire over this period.

The rate of active businesses in 2019 in Gwent local authorities has been determined by the rate of new active businesses, active business closures and business survival rates in the preceding years to this. These can be seen over the latest 5 years in figures 33 to 35.

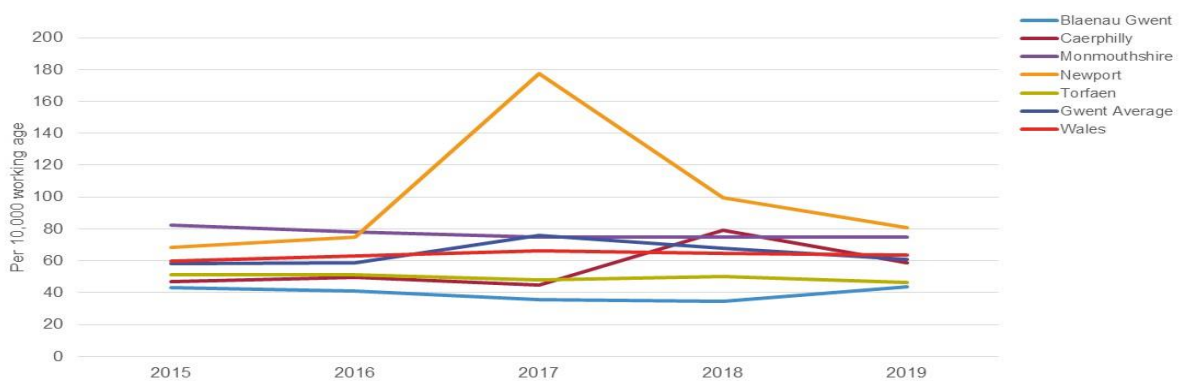


Figure 33 Rate of new active businesses per 10,000 working age population⁵²

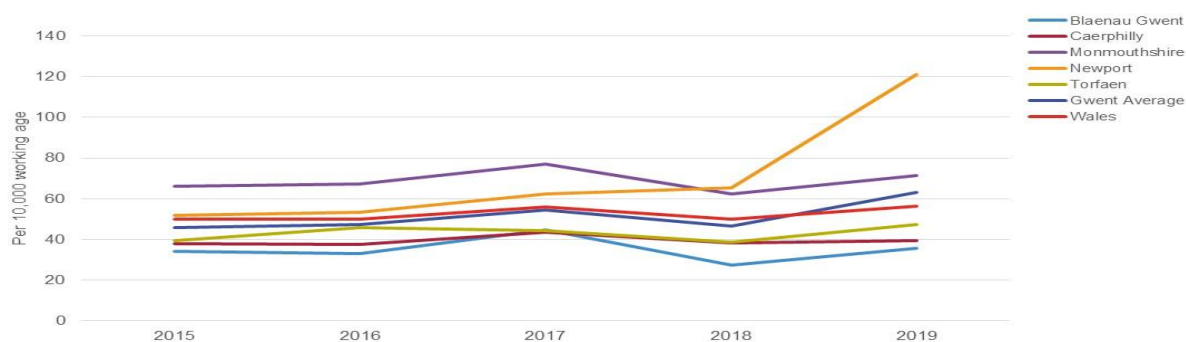


Figure 34 Rate of active business closures per 10,000 working age population

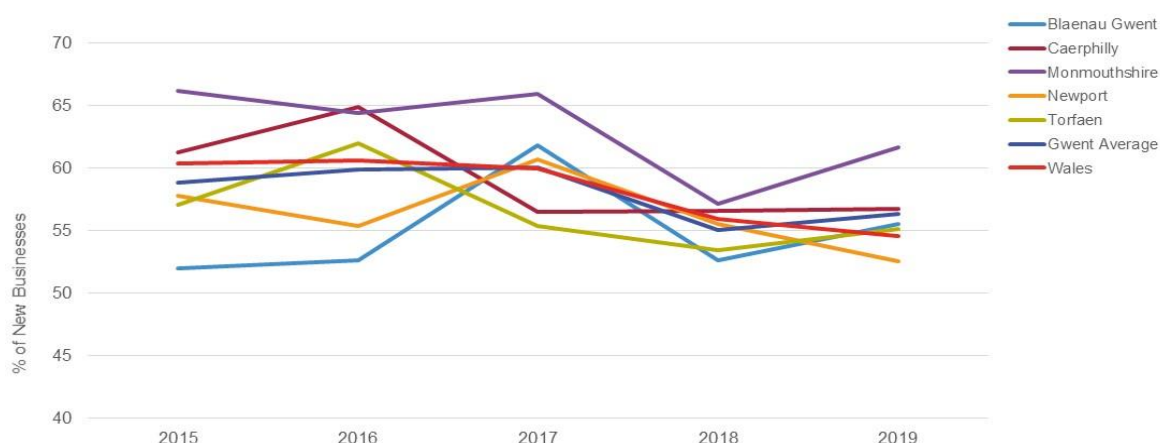


Figure 35 Percentage of new businesses surviving three years of trading

While Blaenau Gwent, Monmouthshire and Torfaen maintained a steady rate of active new businesses over the latest 5 years, there was a notable increase in 2018 for Caerphilly and a significant increase in 2017 for Newport.

However, there was also a notable increase in the rate of active business closures in Newport 2 years later in 2019. Despite this, Newport along with the other local authorities in Gwent, showed a net increase in the rate of active businesses over the period.

In terms of survival rates, the percentage of active businesses surviving 3 years of trading generally showed a downward trend for Gwent local authorities and Wales as a whole, while Blaenau Gwent bucked the trend, to a small degree.

Engagement activity indicated that there is a perception across the region noted that there is a distinct lack of local businesses run by local people. Business infrastructure is seen as being surrounded by large commercial chains.

Respondents suggested that more could be done to encourage local business growth, for example by promotion of local business through community events and a reducing business rates along with increased investment. Additionally, some residents noted how this could be initiated through education, providing seminars for young people regarding the benefit of starting local businesses can have on local communities.

5.2 Retail and Leisure

The Welsh Government will provide grant funding to the 22 local authorities in Wales to provide the Retail, Leisure and Hospitality (for example shops, pubs and restaurants, gyms, performance venues and hotels) Rates Relief scheme to eligible ratepayers for 2021-22. The scheme aims to provide support for eligible occupied properties by offering a discount of 100% on the non-domestic rates bill for a property, to all eligible premises. The scheme will apply to all eligible ratepayers with a rateable value of £500,000 or less.

How will the scheme be administered?

It will be for local authorities to determine how they wish to administer the scheme to maximise take-up and minimise the administrative burden for ratepayers and for local authority staff.

Which properties will benefit from relief?

Properties that will benefit from this relief will be occupied retail, leisure and hospitality properties – such as shops, pubs and restaurants, gyms, performance venues and hotels across Wales.

Relief should be granted to each eligible business as a reduction to its rates bill based on occupation between 1 April 2021 and 31 March 2022.

Other considerations

As the grant of the relief is discretionary, local authorities may choose not to grant the relief if they consider that appropriate, for example where granting the relief would go against the local authority's wider objectives for the local area.

Ratepayers may view that they have been able to continue trading at a substantial level during Coronavirus restrictions and as such would be inclined to not accept the relief.

How much relief will be available?

The total amount of government funded relief available for each property under this scheme for 2021-22 is 100% of the remaining bill, after mandatory reliefs and other discretionary reliefs funded by section 31 grants have been applied⁵³.

During an engagement process with Gwent residents, some noted how a variety of businesses are important to their wellbeing and to live a happy lifestyle. Town centres were highlighted a number of times as needing regenerating.

The majority of respondents noted how there is a lack of variety within businesses. In order to improve infrastructure, residents suggested that the introduction of more businesses such as butchers and newsagents to be located near Libraries and other public services.

5.3 Tourism

Tourism plays an important role in the Gwent economy. Prior to the very serious negative impact of the Covid-19 pandemic in 2020, there was significant growth in tourism spend across the region. In Wales generally, tourism was one of the fastest growing industries and this was reflected in the upward trend in Gwent. However, the impact of Covid-19 was devastating for the sector across Gwent, Wales and the UK in 2020 with tourism revenues significantly down.

All five local authorities in Gwent use STEAM data, a robust economic activity monitor, to assess the value of tourism in their areas.⁵⁴ STEAM shows that pre-pandemic, in 2019, 10.6 million visitors came to Gwent, generating over £974 million for the local economy. Between 2015 and 2019, tourism revenue grew by almost 18% in Gwent, comparing favourably with a growth target of 10% between 2013-2020 for Wales as a whole.

In 2020, the economic contribution of tourism in Gwent reduced considerably to £297 m (70% decrease on 2019) due to the pandemic. Total visitor numbers reduced to 3,223m (70% reduction on 2019) and FTE jobs supported by direct tourism spend reduced to 5,112 (52% reduction on 2019).

Economic impact of tourism £M 2020					
	2015	2019	2020	% change 2015-2019	% change 2019-2020
Blaenau Gwent	49.15	62.51	19.81	27%	-68%
Caerphilly	135.40	137.69	28.30	2%	-79%
Monmouthshire	212.37	251.57	81.16	19%	-68%
Newport	351.32	440.53	148.76	25%	-66%
Torfaen	79.36	82.44	19.00	4%	-77%
Gwent	827.59	974.73	297.04	18%	-70%

Figure 36 Economic Impact of Tourism in Gwent 2015 - 2020

Visitor number - Total 000's					
	2015	2019	2020	% change 2015-2019	% change 2019-2020
Blaenau Gwent	676	744	259	10%	-65%
Caerphilly	1,774	1,809	299	2%	-83%
Monmouthshire	2,190	2,284	536	4%	-77%
Newport	3,042	4,674	1,917	54%	-59%
Torfaen	1,058	1,084	211	2%	-81%
Gwent	8,739	10,596	3,223	21%	-70%

Figure 37 Visitor Numbers (total) in Gwent 2015 – 2020

Visitor number - Staying 000's					
	2015	2019	2020	% change 2015-2019	% change 2019-2020
Blaenau Gwent	138	169	46	28%	-73%
Caerphilly	392	388	97	1%	-75%
Monmouthshire	494	559	195	22%	-65%
Newport	720	794	214	10%	-73%
Torfaen	216	220	57	5%	-74%
Gwent	1,960	2,131	610	12%	-71%

Figure 38 Visitor Numbers (staying) in Gwent 2015 - 2020

Visitor days - Total 000's					
	2015	2019	2020	% change 2015-2019	% change 2019-2020
Blaenau Gwent	864	993	330	15%	-67%
Caerphilly	2,305	2,354	432	2%	-82%
Monmouthshire	2,954	3,265	920	11%	-72%
Newport	3,872	5,578	2,198	44%	-61%
Torfaen	1,315	1,359	282	3%	-79%
Gwent	11,310	13,549	4,161	20%	-69%

Figure 39 Visitor Days in Gwent 2015 - 2020

While tourism is important across all parts of Gwent, it has greatest significance in Newport where there is a focus on high value business tourism, and in Monmouthshire, a well-established leisure destination where tourism assists diversification of the rural economy. Newport saw a 25% real terms increase in tourism revenue between 2015 and 2019, followed by a decrease of 66% in 2020. (£441 m in 2019; £149m in 2020). Monmouthshire's tourism revenues increased by 19% between 2015 and 2019 but then decreased by 68% in 2020 (£252m in 2019; £81m in 2020).

The tourism revenue and the visitor figures for each of the five local authorities in Gwent are shown below. The biggest percentage growth between 2015 and 2019 was in Blaenau Gwent (27%) however tourism plays a smaller part in the local economy here than in other parts of Gwent. Caerphilly and Torfaen experienced the biggest drops in tourism revenue in Wales between 2019 and 2020 at -79% and -77% respectively.

The UK and Welsh Governments' public health restrictions and the changes in people's behaviour due to the Covid-19 pandemic contributed significantly to the economic contraction in Wales. The impact was felt in most in those sectors unable to operate during lockdowns, such as accommodation and food. Tourism activity picked up during summer 2021 but the profitability of many businesses will have been adversely affected by earlier restrictions, and the economic effects will have significantly impacted the well-being of workers in this sector.

Full Time Equivalent Jobs Supported by Tourism

Just as tourism revenue increased in Gwent between 2015 and 2019, so did the number of full time equivalent (FTE) jobs. In 2019, 10,572 FTEs were supported by tourism in Gwent (7,604 direct FTEs jobs and 2,968 indirect jobs). This represents an increase of 16% on 2015 of all FTEs jobs supported by tourism, with Newport, Monmouthshire and Blaenau Gwent seeing significant increases. However, as tourism revenues decreased in 2020, so did the number of FTE jobs supported by tourism. Between 2019 and 2020 FTE jobs supported by tourism reduced by 52% across Gwent.

FTE jobs supported by tourism spend (direct & indirect)					
	2015	2019	2020	% change 2015-2019	% change 2019-2020
Blaenau Gwent	582	730	372	26%	-49%
Caerphilly	1,599	1,626	466	2%	-71%
Monmouthshire	2,744	3,119	1,614	14%	-48%
Newport	3,326	4,172	2,359	25%	-43%
Torfaen	906	925	301	2%	-67%
Gwent	9,157	10,572	5,112	15%	-52%

Figure 40 Full Time Equivalent jobs supported by tourism spend in Gwent 2015-2020

5.4 Community strengths & tourism attractions

Gwent has a mix of natural beauty, high quality heritage attractions, opportunities for sport and outdoor recreation, a renowned food festival in Abergavenny and a growing business tourism infrastructure.

Pre-pandemic, the tourism sector offered considerable potential for continuing growth in Gwent, in particular, with new accommodation coming on stream to meet anticipated demand created by the opening of the Wales International Conference Centre in Newport and the area's increasing reputation for conferences, meetings and incentive travel.

The Wye Valley and Vale of Usk is a popular area for leisure travel and short breaks with the opportunity for spreading the benefits further into Gwent tourists including attractions in other areas as part of their stay.

The pre-pandemic potential of tourism to benefit all parts of Gwent is demonstrated in the rise of tourism in areas like Blaenau Gwent and Torfaen between 2015 and 2019. Investment in the tourism product is however continuing. For example, in Newport heritage lottery funding is being used to develop the city's Transporter Bridge into a significant attraction with improved facilities for visitors.

5.5 Cardiff Capital Region City Deal

The Cardiff Capital Region City Deal is a collaboration between the ten local authorities in the Cardiff Capital Region (CCR), the UK Government and the Welsh Government, aimed at catalysing sustainable regional growth. The CCR comprises ten local authority areas in South East Wales: the five Gwent LAs plus Bridgend, Cardiff, Merthyr Tydfil, Rhondda Cynon Taf, and Vale of Glamorgan.

With a 1.3bn investment fund, it is one of the CCR's primary mechanisms for implementing its growth ambitions and strategic priorities. Building on the region's sectoral strengths, skill base and academic expertise, investment is targeted at skills, infrastructure, innovation-led scalable projects and, priority industry sectors and businesses that will be important for the regions prosperity over the next 10 – 20 years.

Over its lifetime of 20 years the desired outcomes from its programmes of intervention (£734m of which is ring-fenced for Metro developments with the remaining £495m available through a wider investment fund) are to have delivered 25,000 new jobs, generated an additional £4bn of private sector investment into the region and increased GVA by 5%.⁵⁵

There are eight priority sectors identified within the CCR where the region has comparative strengths and competitive advantages. These are:

- Compound Semiconductors
- Fintech
- Cybersecurity & Analytics
- Artificial Intelligence
- Creative Economy
- Life Sciences
- Transport Engineering
- Energy & Environment

The region has seen significant regeneration and investment over recent decades to redevelop heavy industrial areas and to create new business parks, housing and recreational initiatives. Projects have included the Cardiff Bay regeneration and the reintroduction of a passenger rail service to Ebbw Vale, in addition to major road infrastructure works.⁵⁶

The Gwent PSB includes five of the ten local authority areas within the CCR and Gwent accounts for one third of the region's population. The CCR deal aims to keep people connected, businesses competitive, and communities resilient across South East Wales. The region has a strong manufacturing industry across the board, like parts of Gwent, whilst it also experienced a notable rise in people employed in Banking, Finance and Insurance from 2015 – 2018, largely due to significant increases in Caerphilly (+32%), Torfaen (27.9%) and Newport (27.9%).⁵⁷

The approach being followed to the deployment of the £495m Wider Investment Fund involves a set of guiding principles that include taking an evergreen approach to investment funds and co-investment. The aim is to improve both the business environment within the CCR, creating rich ecosystems that stretch and support the development of key sectors in the economy, and the CCR's comparative performance against other cities and regions within the UK and internationally.⁵⁸ The ultimate goal is to aim to make the CCR the most investible region within the UK, which would have a significant impact for economic well-being across Gwent.

5.6 Strategic development sites

In March 2021, Cardiff Capital Region's Regional Cabinet made a number of key decisions to maintain focus and momentum on new interventions and projects that will continue to boost the south-east Wales economy in the wake of Covid-19.

A new **£50m Investment Fund agreed for Strategic Premises** will support the delivery of CCR's Industrial and Economic Plan and Covid-19 priorities through the provision of early stage finance for the development of new sites and employment premises that allow new and existing businesses to scale up and invest for the good of the region. If successful, the shortlisted schemes are projected to deliver 2,768 homes across the region whilst simultaneously delivering 3360 jobs and attracting £530m private investment.

Metro Plus Programme restructured and extended by 1 year to ensure it can deliver for the whole region

The following six projects will have a one-year extension to the original three-year term and are scheduled to fully deliver by March 2023:

- Barry Docks Park and Ride – Vale of Glamorgan
- Cardiff East Bus Priority Corridor- Cardiff
- Porth Interchange – RCT
- Severn Tunnel Junction Park & Ride – Monmouthshire
- Pontypool and New Inn Station Park & Ride – Torfaen
- Pyle P&R / Porthcawl Bus Terminus / Penbrysg (Pencoed) Level Crossing Bridge-Bridgend

The other four projects, which are larger much longer term initiatives, dependent on interventions outside of the control or remit of the Metro plus programme, will also be extended by 12 months and be continued to be developed to the point where they can attract funding from other programmes to enable their delivery. For these schemes funding will be provided up to March 2023.

- Newport – Cardiff Bus Priority Corridor (or alternative) Newport
- Merthyr Rail / Bus Integration Merthyr
- Abertillery Interchange (or alternative) – Blaenau Gwent
- Caerphilly Interchange – Caerphilly

Taxi EV infrastructure plan in delivery during summer 2021 – SWARCO awarded a contract to deliver 34 chargers at 31 sites across the ten Local Authority areas throughout the Cardiff Capital Region. These charging points will enable taxi drivers to charge their vehicles, encouraging a swift take-up of more electric vehicles across the South East Wales Taxi industry to help meet Welsh Government’s target for zero emissions from taxis from 2028.

ULEV Taxi “Try before you buy scheme” to encourage transition launched in November 2021 – 44 Nissan Dynamo taxis to allow taxi drivers / operators the opportunity to try before they buy for one month per driver. The trial scheme will run for three years.

Significant Progress made in identifying appropriate sites for expanding charging infrastructure – 112 sites have been identified and costed to deliver public use charging infrastructure throughout the region, including locations such as on-street, public car parks and transport hubs.

Educational Taxi webinar arranged for March 29 – to allow taxi drivers/ operators the opportunity to engage with the CCR to discuss opportunities and mechanisms for assisting with transition⁵⁹.

5.7 Renewable energy and decarbonisation

In 2021, we have seen how issues with the supply of energy and increases in the whole sale cost of gas can impact on businesses – particularly the food sector.

Both current and future businesses in Gwent need secure supplies of energy.

Energy and environment is identified as a priority sector within the Cardiff Capital Region and has the potential to create prosperity in the region over the next 10 – 20 years ⁶⁰. As well as carbon reduction, generating more renewable energy locally has the potential to create local jobs, and community energy projects can provide useful income to invest back into communities. Any renewable energy projects of national significance located in the area should achieve buy-in and support from surrounding local communities.

Existing and currently proposed renewable / low carbon energy generation for Gwent is approximately 10% of current total energy demand and by 2033 the region could theoretically generate over 100% of its current energy demand and over five times its currently electricity demand.⁶¹

A recent study has identified that renewable / low energy generation in Gwent could be increased through a mixture of the following technologies⁶²:

- **Wind** – there is potential to generate sufficient electricity to power over 300,000 homes. Potential generation capacity varies across Gwent, with the upland areas on the boundaries between Torfaen, Blaenau Gwent and Caerphilly being key resources.
- **Ground mounted solar** – Across the whole of Gwent, there is potential for the generation of enough electricity to power the equivalent of over 4 million homes.

Given the larger land area, rural Monmouthshire has been identified as theoretically having the most potentially suitable areas for ground mounted solar.

- **Biomass** – Across Gwent, there is enough biomass resource to supply a conventional (steam turbine) Combined Heat and Power plant. If more fuel could be grown and processed locally there could be the potential for more power generation from biomass.
- **Hydropower** – The potential for hydropower within the region is relatively small, but it could still contribute to a holistic energy solution.
- **Roof top solar** – The greatest maximum theoretical potential of roof top solar photovoltaics is identified in Caerphilly due to this being the largest built-up area, but Monmouthshire currently has the greatest installed roof-top PV capacity.

It is not possible to bring forward all the renewable energy potential identified in Gwent as our environmental assets also provide other valuable services that contribute to our well-being and may be important to protect and maintain. The electricity network also has local limits regarding how much energy can be generated.

A regional energy strategy has also been developed for the Cardiff City Region to establish regional priorities for energy. Welsh Government also want more local energy planning to happen that looks at the whole energy system – from generation, storage and use patterns, our buildings and how they are heated, how industry and business use energy and transport raw materials, goods and services and how people travel. Newport is already taking part in an energy planning pilot and will have learnings that can be shared with the rest of Gwent.

Undertaking Local Area Energy Planning (LAEP) that considers the whole energy system – heat, power and transport – will help ensure that future generations living in Gwent have enough energy to meet their needs.

6. Work patterns

Work location relate to the respondent's usual working pattern if coronavirus restrictions were not in place. Therefore, data for 2020 do not reflect actual commuting patterns observed during the pandemic. Figure 41 shows the percentage of working residents who commute out of the area they live in.

6.1 Commuting

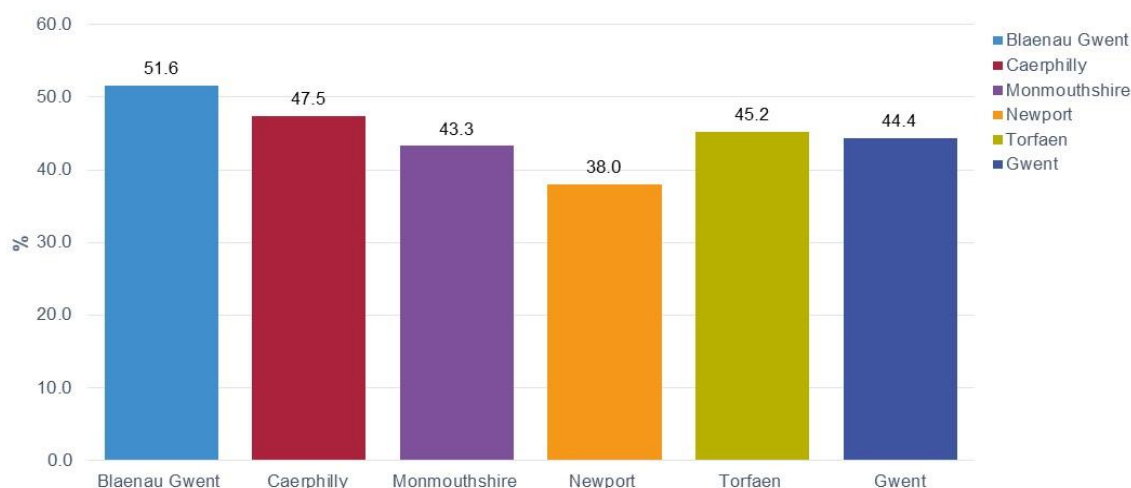


Figure 41 Percentage of working residents living in each local authority who commute out of the area, 2020⁶³

The percentage of working residents who commute out of the area they live in ranges between 38.0% in Newport to 51.6% in Blaenau Gwent, which is also the 2nd highest rate in Wales, only marginally lower than the Vale of Glamorgan with 51.7%. More working residents in Gwent commute outside of their local authority are compared to the national average. The Wales local authority average is 33.4% of working residents while for Gwent the overall average is 44%.

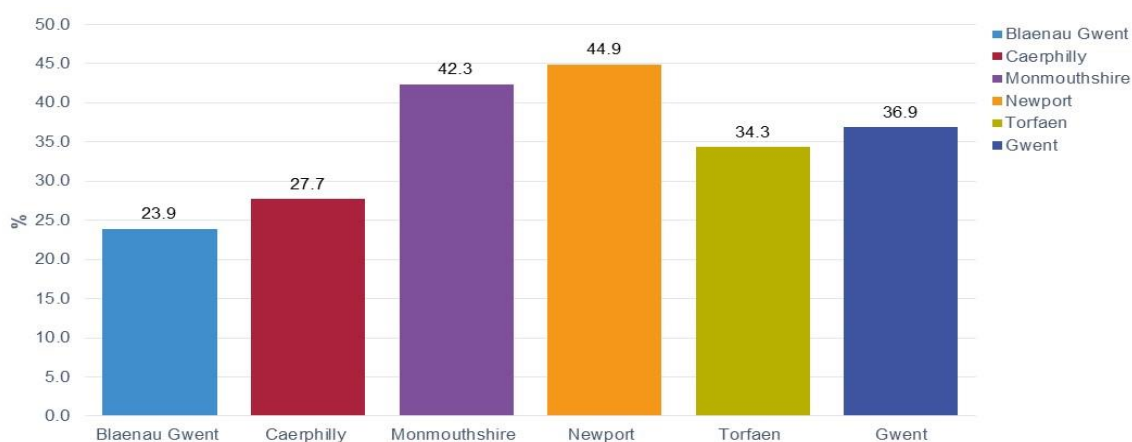


Figure 42 Percentage of people working in each local authority who are commuting into the area, 2020

The percentage of people working in each local authority who commute into that area ranges between 23.9% in Blaenau Gwent to 44.9% in Newport, which is also the highest rate in Wales. Monmouthshire has the 2nd highest rate in Wales with 42.3%. The Wales local authority average is 27.4% (over a quarter of people working in the area) while for Gwent overall this is 36.9%.

Detailed commuting patterns in Wales by Welsh local authority, 2020

Responses for work location relate to the respondent's usual working pattern if coronavirus restrictions were not in place. Therefore, data for 2020 do not reflect actual commuting

patterns observed during the pandemic. Figure 43 shows a detailed picture of commuting patterns for workers residing in each local authority.

Local Authority	Blaenau Gwent	Caerphilly	Cardiff	Merthyr Tydfil	Monmouthshire	Newport	Rhondda Cynon Taf	Torfaen	Wales	All outside Wales
Blaenau Gwent	48%	10%	4%	5%	8%	4%	-	7%	96%	4%
Caerphilly	-	53%	20%	-	-	2%	4%	2%	97%	3%
Monmouthshire	2%	2%	4%	-	57%	9%	-	3%	79%	21%
Newport	-	-	12%	-	4%	62%	-	5%	87%	13%
Torfaen	-	2%	8%	-	7%	15%	-	55%	93%	7%

Figure 43 Detailed commuting patterns in Wales by Welsh local authority, 2020⁶⁴ (Note that each local authority sum does not equal the Wales total due to use of sample data and low values are not reported)

A relatively high percentage of workers from Newport (62%) and Monmouthshire (57%) work in the local authority they reside in and also have a significant number who work outside Wales, 13% and 21% respectively. More Blaenau Gwent workers work outside their local authority (52%) than in it. A notable level commute into Cardiff and Newport from elsewhere, but in particular from Caerphilly and Torfaen.

Integrated transport is a cross-cutting issue that has a significant impact on people's economic, social and environmental well-being across Gwent. As figure 43 demonstrates, some Gwent residents travel outside of the Gwent region for work because it is often easier to get to places like Cardiff via public transport than it is to get to other parts of Gwent. The new East-West route across the Heads of Valleys provides an opportunity for economic development for the north of Gwent, bringing in business from the Midlands, south west England and other parts of Wales.

6.2 How we commute

Wales has one of the highest levels, 80% of workers usually travelling to work by car with Scotland having the lowest at 70%. The latest figures released show that during October to December 2019, 80% of workers who reside in Wales travelled to work by car, which is significantly higher than in England with 67% and Scotland with 70%. Although the percentage who walked to work, at about 10% in Wales is similar to England and Scotland, notably fewer travelled by bus and rail. Note that there is no current data available at a local authority level.

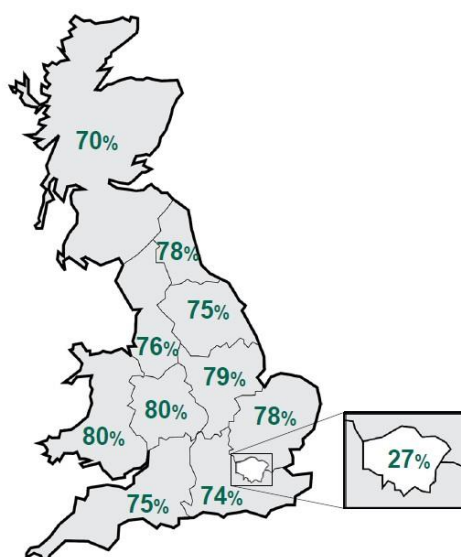


Figure 44 Percentage of workers usually travelling to work by car by region of workplace, Great Britain, 2018⁶⁵

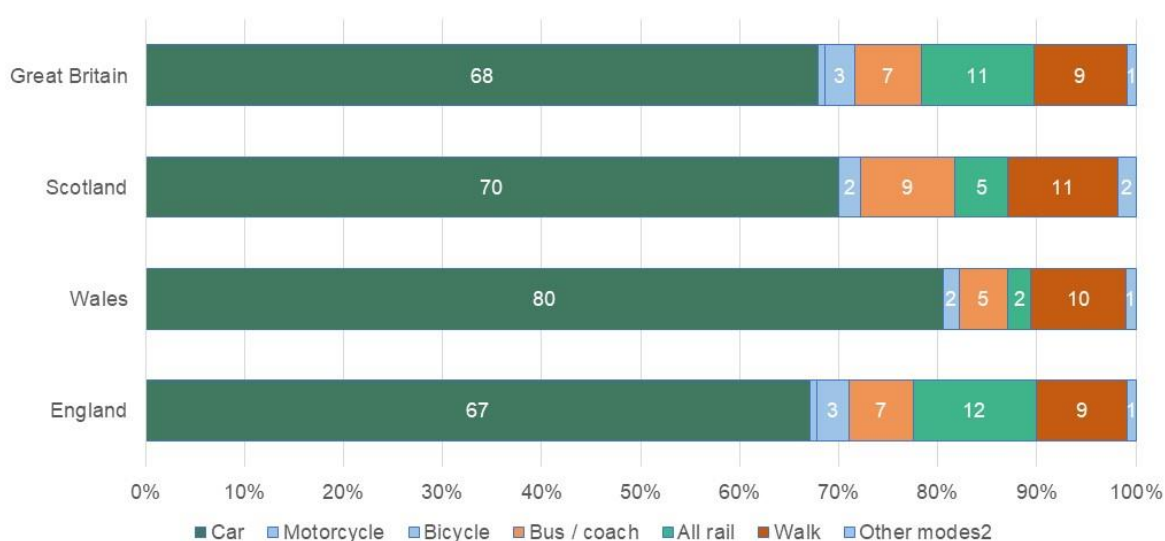


Figure 45 Usual method of travel to work by region of residence: Great Britain, October to December 2019⁶⁶

6.3 Effect of the Covid-19 pandemic on place of work

The Annual Population Survey (APS) asks people what their main place of work is “in normal times”, therefore not all responses may reflect working patterns during the Coronavirus (COVID-19) pandemic. Based on three variables in the Survey, ONS have defined four homeworking statuses:

- **Mainly** – those who report their main place of work as “in their own home” as opposed to “home as a base”, “same ground as home” or “another place entirely” (offices, factories, and so on)
- **Recently** – those who do not ‘mainly’ work at home, but reported doing some work at home in the reference week

- **Occasionally** – those who do not ‘mainly’ work at home, and did not report doing any work at home in the reference week, but say they do “ever” work from home
- **Never** – anyone not covered in the groups above

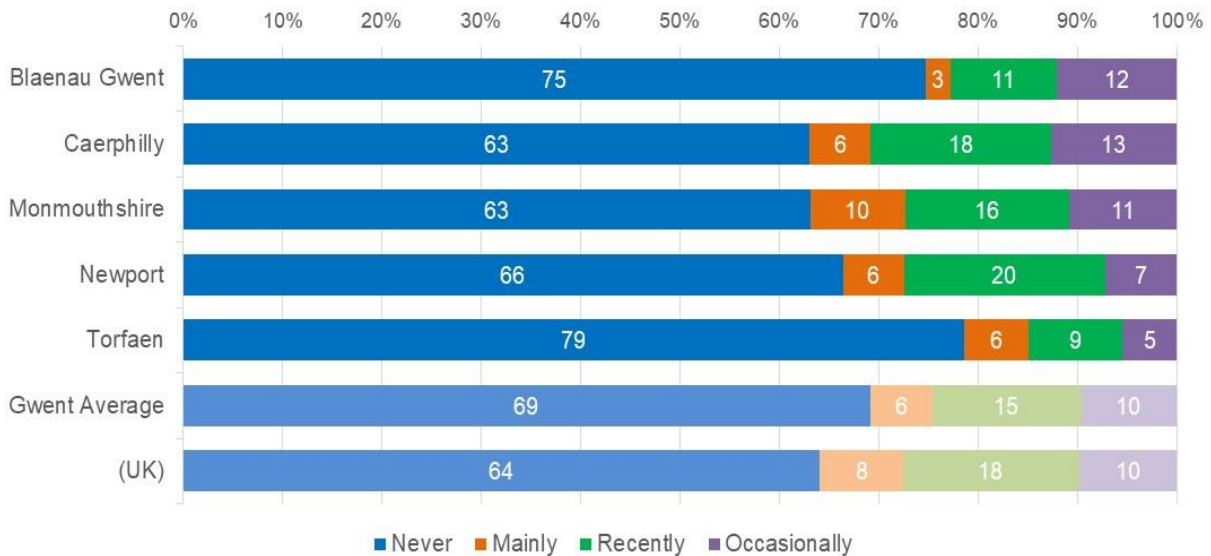


Figure 46 Proportion of workers that completed work from home, 2020⁶⁷

Some of the values are based on a small sample size and may result in less precise estimates, which should be used with caution. However, values for ‘Never work from home’ and other than for Blaenau Gwent, ‘mainly work from home’ are shown as precise estimates.

Monmouthshire has the highest percentage in Gwent and for Wales reporting their main place of work as ‘in their home’ at 9.7% and compares with the Gwent average of 6.1% and UK rate of 8.4%.

Caerphilly and Monmouthshire have the highest percentage in Gwent reporting ‘some work from home’ at 37%, which are also the third and fourth highest rates in Wales. These compare with the Gwent average of 31% and UK rate of 36%. Torfaen has the lowest percentage in Gwent reporting ‘some work from home’ at 21%, which is also the third lowest rate in Wales.

In the UK in 2020, 35.9% of workers reporting doing some level of homeworking – an increase of 9.4 percentage points compared with 2019. This can be largely attributed to COVID-19 “stay at home” measures introduced by the government in March 2020, and the continued policy to encourage workers in Wales to work from home where possible in order to help stop the spread of the virus in offices.

2019

2020

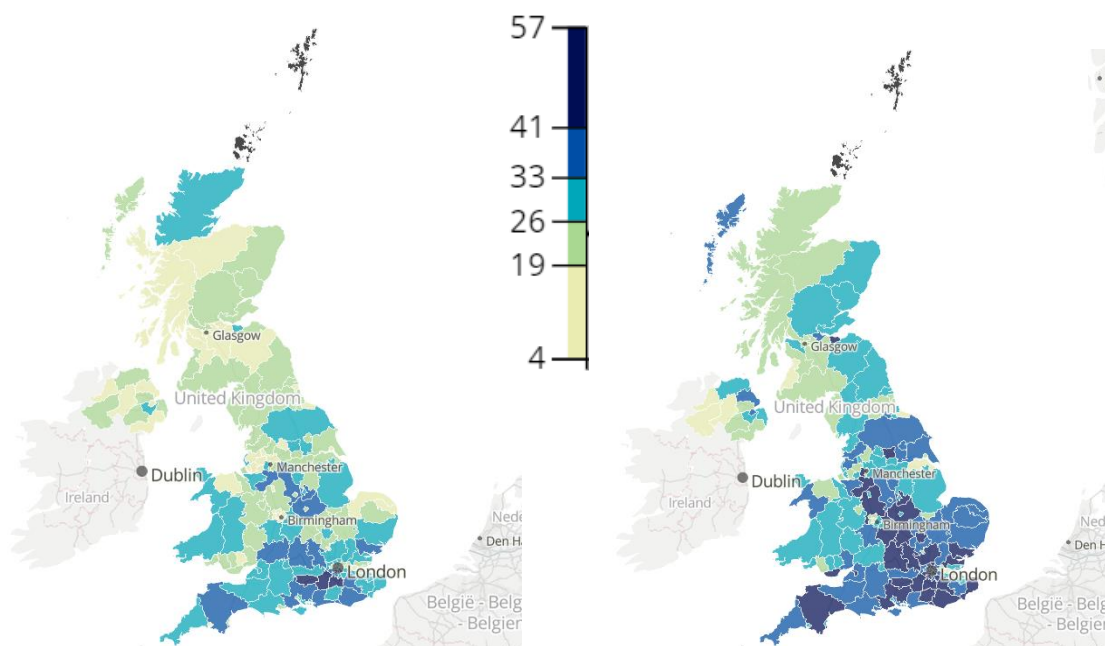


Figure 47 Percentage of workers that completed some work from home, broken down by NUTS 3, UK, 2019 compared to 2020.

In the UK in 2020, 35.9% of workers reporting doing some level of homeworking – an increase of 9.4 percentage points compared with 2019. This can be largely attributed to COVID-19 “stay at home” measures introduced by the government in March 2020.

In the UK in 2020, the industry with the highest proportion of any homeworking was information and communication, with 62.0% of workers having mainly, recently, or occasionally worked from home. This was followed by professional, scientific, and technical activities (56.1%) and financial services (54.2%). By contrast, the industries with the lowest incidence of homeworking at any level was accommodation and food services (12.3%), transport and storage (18.6%) and retail (19.7%). This variation across industries is largely due to differences in the demand for and opportunities to work from home.

In the UK, between 2011 and 2020 the propensity for homeworking increased with educational attainment. For example, in 2020 46.9% of workers with a degree level qualification completed some level of homeworking, compared with 13.9% of workers with no qualifications.

Covid-19 has definitely changed the way we live, work, travel and socialise, with many employers and workers in Gwent moving towards blended agile working practices or full time homeworking. The rise in agile or homeworking means people commute differently and less frequently, which drives down commuting costs for workers in Gwent and can have a positive impact on environmental and social well-being. Benefits for local economies, businesses individuals and the environment can include:-

- a reduction in travel time and expense
- more flexibility and better work life balance

- increased productivity
- less traffic, air and noise pollution, especially at peak times
- job opportunities for people in out-of-town Gwent communities and access to an increased workforce pool for employers
- the opportunity to redesign our towns and city centres⁶⁸

The current Welsh Government would like to see a workplace model where staff can choose to work in the office, at home or in a hub location. Whilst this can bring benefits like those outlined above that can improve economic and social well-being and contribute towards the green recovery from Covid-19, permanent office workers spend money on public transport and in businesses like shops and cafés close to where they work. Public transport operators, town centres and high streets across Gwent could therefore be impacted by this reduction in trade associated with a shift away from office working in the long-term.

Future generations may have to spend less time and money on travel to/from work, which could mean an improved work-life balance and increased access to job opportunities within a wider geographical range, but local economics reliant on high street trade from commuters and office workers will need to be supported better in the long-term.

Away from commuting, when considering what aspects would make their community better, some Gwent residents agreed that a more accessible transport service would help improve their access to local amenities.

Where people live has an impact on their access to the transport system. While access to the road network is universal for those who have use of a car, access to public transport networks is primarily dependent on home location. Bus network coverage is much greater than the rail network, although for both bus and rail significant regional variations exist. Just 13% of people in Wales live less than 800m distance (by walking route) from a rail station with at least one train per hour. This varies by region, from a fifth of the population in South East Wales to just 1% in Mid Wales.⁶⁹

Many respondents to the well-being assessment engagement exercise noted how the quality of public transport is poor due to both inconsistencies on prices and timing. This was especially prevalent with Monmouthshire respondents who (due to its rurality) noted that public transport is incredibly inconsistent and that car ownership is necessary. Residents requested that public transport becomes more affordable and more frequent to help cater for those who live in rural communities across Gwent.

6.4 The impact of innovative technology on the workforce

The Welsh Government published a report in January 2021 on the key issues impacting the workforce created by the changing nature of work.⁷⁰ The key messages to come out of the report are:

1. A number of factors including the Covid-19 pandemic, budget constraints and the drive for productivity, delivering services through technology, and public expectation

for services to be delivered differently are driving the introduction of innovative technologies in the public sector.

2. In order to support the workforce adapt to the expanding use of new technologies, international experts agree that government and the public sector need to increase relevant skills training, Address job design and workforce planning, develop close partnership working between unions and managers at an organisational and national level, and put protections in place to guard against some of the potential negative impacts of new technology.
3. Welsh Governments analysis of 3 pre-Covid-19 case studies provided evidence of the potential benefits of innovative technology to improve working life when staff are fully consulted on its introduction and implementation, and staff concerns about the introduction of innovative technology.
4. Furthermore, during the pandemic the Office of the Chief Digital Officer have collated many examples of innovation in service delivery. These demonstrate that public services have quickly introduced new ways of working to support the remote provision of services to the public and to improve internal processes.
5. Organisations in Wales have responded in the following ways to the general increase in the use of new technologies:
 - Unions have developed key principles which build on or add to those contained in the Partnership and Managing Change agreement which they propose should be adopted when new technology is introduced
 - The Welsh Government is funding Chief Digital Officers in health and local government and has launched a Centre for Digital Public Services
 - Health and social care leaders are recommending a digital workforce plan in their draft workforce strategy
 - The Deputy Minister for Economy and Transport has issued a statement on embedding remote working
 - Internationally, European social partners have published a framework agreement on digitalisation
6. Taking these matters into consideration and taking into account the views and advice of senior officers from each of the social partners who supported this work, the report recommends that:
 - Social partners develop and adopt a set of principles on digitalisation that support the involvement, participation and consultation of staff and trade unions when new digital and data methodologies and new technologies are introduced. The principles will align with the Partnership and Managing Change agreement and include the importance of training and job redesign when managing any change in roles and expectations.
 - The WPC to establish relationships to foster an effective exchange of information between social partners and the partnership of 3 national Chief Digital Officers, with a particular emphasis on public service workforce issues
 - The WPC to engage with the Knowledge Hub within the Centre for Digital Public Services to share knowledge and best practice between social partners and the hub on public service workforce issues complement the information it

collects and shares with experiences from a trade union and employer perspective.

6.5 Internet access

Questions about internet access and personal use of the internet have been asked in each year in the National Survey for Wales since 2012-13. Figure 48 shows the proportion of residents with household internet access.

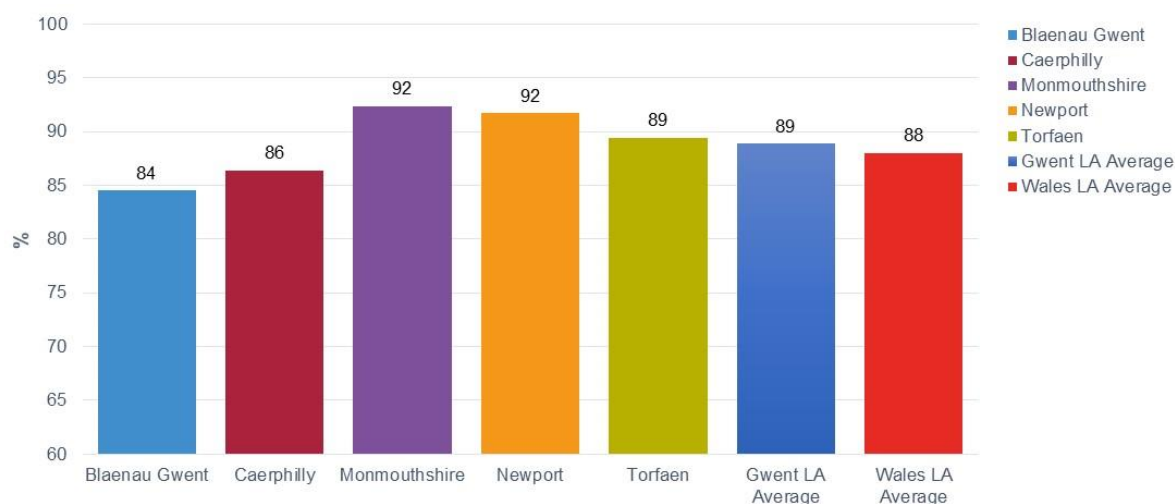


Figure 48 Proportion of residents with household internet access, 2019-2020⁷¹

The percentage of people with Internet access at home ranges between 84% in Blaenau Gwent to 92% in Monmouthshire and Newport. The Gwent local authority average is 89% while for Wales this is 88%.

New questions about people's online activity and their digital skills were introduced in 2017-18 in the National Survey for Wales and these questions were asked again in 2018-19. Figure 49 shows the proportion of residents use internet, including smart TV and handheld devices.

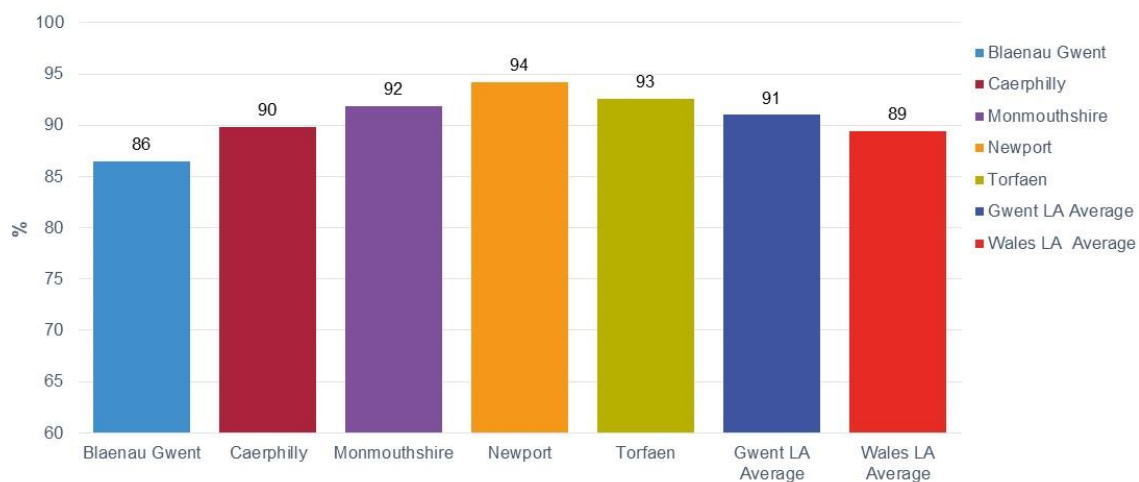


Figure 49 Proportion of residents who use internet (including smart TV and handheld devices), 2019-2020

The percentage of people who use Internet (including Smart TV and handheld devices) ranges between 86% in Blaenau Gwent to 94% in Newport. The Gwent local authority average is 91% while for Wales this is 89%.

The average internet download speed across Gwent is 68.3mbps, which is slightly below the Wales average of 69.5mbps. Gwent average download speeds range from 45.1mbps in Blaenau Gwent to up to 95.6mbps in Newport. 8% of households in Gwent are receiving internet speeds of under 10mbps, which is slightly better than the Wales average of 9%. Across Gwent, this ranges from 6% in Newport to up to 14% in parts of rural Monmouthshire.⁷²

Residents believe people within rural areas and the older generation are at a disadvantage due to both low quality broadband, as demonstrated by the higher percentage of households receiving under 10mbps in parts of rural Monmouthshire, and a lack of digital skills. This is having an impact on those who are less confident in using digital platforms as they are less likely unable to find out what available within their local community.

More investment in infrastructure could help improve broadband quality along with introducing regular digital literacy classes that can help improve digital skills for older people and get them more involved in community events and activity.

The Covid-19 pandemic has given added importance to the need for Gwent to access the internet, with many utility, banking and shopping services moving away from face-to-face towards online and digital service delivery.

Being digitally excluded can have a significant impact on people's social well-being as well, with digital communication services making it easier for people who use the internet to participate in their hobbies and interests and stay connected with family and friends online. For those who don't or can't use the internet, digital exclusion can therefore increase the likelihood of loneliness and isolation as well as increasingly excluding access to some essential services. As figures 48 and 49 demonstrate, there is still some work to do across Gwent to get all areas above 90% for household access and internet use.

Embracing digital innovation can lead to greater economic opportunities and a more prosperous and resilient society. Equipping people with the digital skills they need and designing services around the user can also improve social cohesion, create a healthier and more equal society with well-connected communities and contribute to a thriving Welsh language. The Welsh Government's Digital Strategy Wales aims to deliver joined-up digital services through collaboration, integration, and good engagement to support the design of user-facing services that provide an efficient and consistent experience for citizens of all ages.⁷³

7. What people are telling us

Throughout the wellbeing questionnaire, residents across Gwent highlighted opportunities and suggested methods of improvement that helped us identify the quality of wellbeing across Gwent.

Economic Wellbeing encompasses areas such as employment, the skills and qualifications along with other economic aspects such as income and education.

Communities across the Gwent region praised the ***variety in local amenities*** that are available within walking distance and noted this as some of the most special aspects of living within their community. People also told us that this is especially important for families with children as ***amenities such as doctors, dentists and schools are very close and easily accessible***. However more rural communities within Gwent have criticized ***the lack of local amenities***, noting how they are often needing to ***travel outside of their local area*** to be able to access a variety of local services. When considering what aspects would make their community better, many residents agreed that a ***more accessible transport service*** would help improve access to local amenities within their community.

Many respondents noted how the ***quality of public transport is poor*** due to both inconsistencies with ***public transport timings*** along with ***transport prices*** not matching the quality of service that they are expecting. This was especially prevalent within rural communities who noted that ***public transport is incredibly inconsistent*** and that they are needing to become more dependent on the use of personal vehicles. When asked how we could work with the community to help them improve the quality of transport within their local are, many respondents requested that ***public transport becomes more affordable and more frequent*** to help cater for those who live in rural areas along with the older generation who may currently have difficulty accessing public transport.

	What is special about your community?	What would make it a better place?	What things are important to you and your family?	What would you like your community to look like in the future?	How can your community work with us to make that happen?
Economic	Access to Amenities (71)	Access to transport (170)	Access to transport (134)	Access to transport (80)	Community Funding (40)
	Access to transport (50)	Access to activities (98)	Access to services (124)	Access to facilities (57)	Local Business (17)
	Access to facilities (30)	Access to facilities (84)	Community funding (38)	Access to activities (50)	Community Events (12)

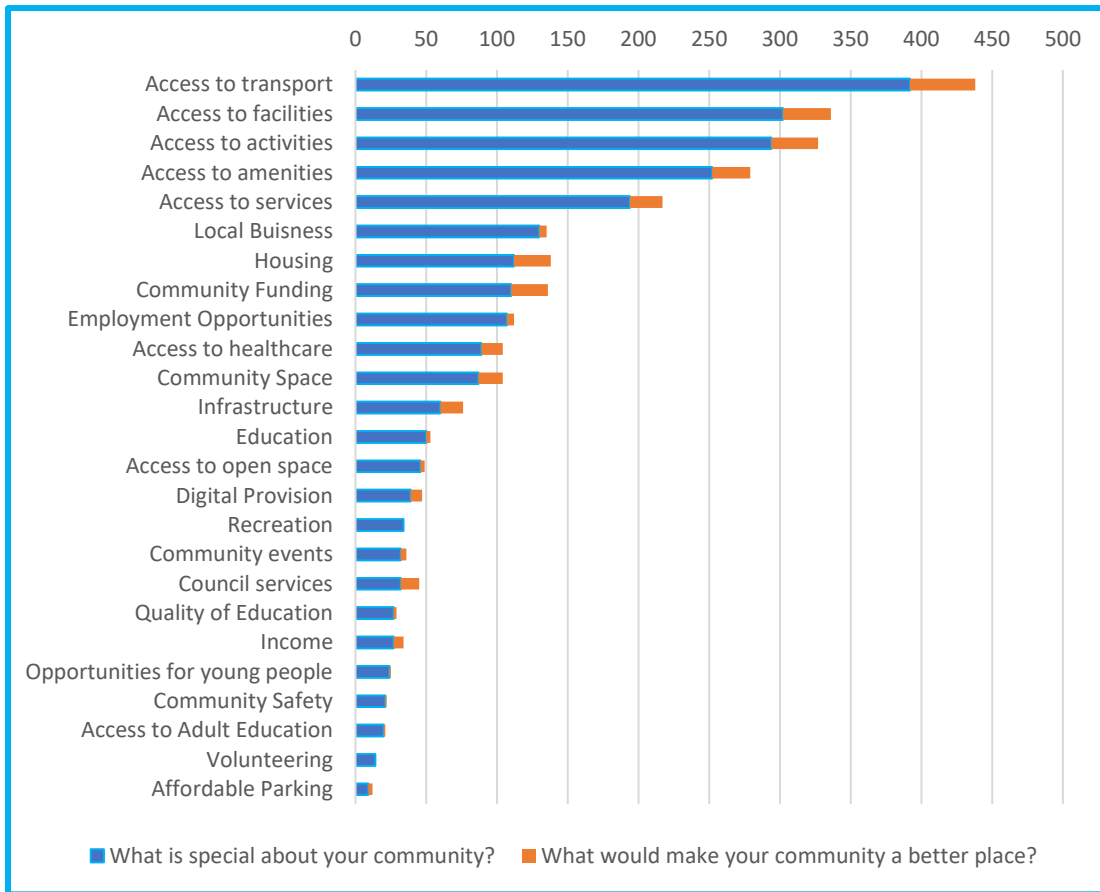
(Figure 1: Top 3 responses per wellbeing survey question)

During our analysis into the wellbeing questionnaire we also found that while people across Gwent praised ***the quality and availability of local services***, many respondents noted how there is a distinct ***lack of local businesses*** that are ran by local people and that local ***infrastructure is surrounded by large commercial chains*** as opposed to local businesses being readily available.

According to people across the Gwent Region, having access to transport is very important to them.

Residents also acknowledged that improvements are there to be made with around 170 responses suggesting that improvements to public transport would help make their local communities a better place to live.

Being able to access facilities such as youth clubs and sports clubs was another frequent topic among residents with this topic emerging frequently among 3 out of the 4 questions that were asked within our wellbeing questionnaire



Over 400 responses from our wellbeing questionnaire noted how having access to transport is important within their community however they did recognize that changes could be made to help improve the quality of public transport within their communities.

Just under 50 responses noted how increased funding for their communities would make their areas a better place.

When asked how we could work with them to encourage more local business into the region, respondents noted how more could be done to encourage its growth through suggestions such as the ***promotion of local business through community events*** and a ***reduction in business rates*** along with increased investment which could all contribute to improving local business rates within the region. Additionally, some residents noted how this could be ***initiated through education***, providing seminars for young people regarding the benefit of starting local businesses and therefore providing ***more support or investment to aspiring business owners***.

(Figure 2- What residents say is special and what could make their community a better place?)

While many positive responses were given throughout the survey, we acknowledge that improving on economic aspects such as community funding could help improve upon other aspects of economic wellbeing such as access to services and public transport, which communities agreed would help improve wellbeing across the region.

8. Future trends and challenges

The economic future for Gwent will offer opportunities and challenges. The Cardiff City Region has identified priority sectors that will be important for the region's economy over the next 10-20 years and these will be important to future Gwent's prosperity. Transitioning to a low carbon future and new digital infrastructure will provide jobs in new and emerging industries. People living in Gwent will need to have the skills and knowledge these initiatives require if they are to benefit from these changes. The Future Trends Report expects that technology will play an increasing role in the economy as systems become more digital and automated⁷⁴.

Future Gwent will also need to be resilient to the changing climate including extreme weather events, and to shocks in global markets. Developing local supply chains and local energy production will help with this, and has the potential to provide local, decent employment including for those who may find it difficult to find suitable work currently.

The UK Climate Risk Assessment identifies risks to business sites from flooding and risks associated with the loss of coastal locations and infrastructure⁷⁵. Water scarcity, and reduced employee productivity due to high temperatures and infrastructure disruption have also been identified as risks⁷⁶. Water shortages could be problematic for those businesses that are reliant on this resource for production processes – such as the food sector. Water efficiency measures will become increasingly important, which will also benefit the region's carbon footprint. Employee thermal comfort in the workplace will be a potential risk for all employers, and cooling measures also have the potential to increase energy use.

1.5% of Gwent's employment base and as much as 4.6% of Monmouthshire's is in agriculture, forestry and fisheries⁷⁷. There may be future economic opportunities related to warmer temperatures associated with a changing climate. There may also be opportunities for Gwent's tourism sector. However, Gwent can also expect more extreme weather events in the future, which could impact on the viability of outdoor activities.

The aging population could result in skills shortages in key industries as people retire. Older people may also need more support to live healthy and independent lives, and ensuring that this support is available, affordable and of a good quality, while providing decent, rewarding work for those providing it will need careful thought and planning. Technology, new skills and practices may help to combat some of these issues, but Gwent needs to make sure that it's considering these long-term challenges in its economic development planning if the inequalities that currently exist in our communities are to be reduced.

8.1 Covid-19 recovery

Engagement with Gwent residents has told us that people want to see a more targeted and focussed approach address the inequalities within our communities that have been exacerbated by the Covid-19 pandemic.

Respondents highlighted the variety of impacts that the pandemic has had on services such as transport, business and health. They highlight how economic recovery is of upmost importance as local businesses were forced to close. Residents also raised concerns regarding the impact that the pandemic has had on public transport, noting how it still remains infrequent with limited customer capacity which is effecting people's ability to access local amenities especially those who are older or those who do not drive.

The wealth of new volunteers and skills that had emerged during the pandemic need to be nurtured and encouraged to continue post pandemic through financial backing and improved training opportunities to ensure these skills and services continue to thrive. Volunteering is not only a positive way to improve someone's own personal well-being, it is also vital for helping older people get more connected with their community and can often be an ideal stepping stone into, or back into, paid work for younger people.

Similarly, a prosperous green recovery from the Covid-19 pandemic is reliant on investment in green skills, training and sectors that help create a local workforce and economy that is fit for the future in order to address the sustainability and decarbonisation agendas. The New Economics Foundation suggest that targeted and sustained action is needed in Wales to ensure green growth industries provide entry opportunities for more people across the labour market.⁷⁸ There is an opportunity here to identify and capitalise on future skills and training opportunities that will arise through the transition to a low carbon economy.⁷⁹

Challenges in supporting businesses to recover

Some key economic sectors have been required to close for some or all of the past year. Long-term support will be needed to help these sectors get back to full strength – the Federation of Small Businesses Wales has pointed to the particular needs of the tourism sector which is “facing three winters”. More detail is available in our article on hard-hit sectors.

The recovery will also need to address underlying challenges. Wales has historically had a lower level of business start-ups than the UK average. Professor Dylan Jones-Evans has called for the new Welsh Government to focus more closely on entrepreneurship as there is “overwhelming evidence that new firms not only create the majority of new jobs in any economy but especially during a recession”.

Wales has lower productivity than other parts of the UK, with output per hour being 17% below the UK average in 2018. Professor Andrew Henley believes that Wales has tended to see tackling low productivity as “too difficult a challenge to address”, and that “in the long run, productivity is really important, and so we have to look at how we're going to address this challenge”. He highlights that spending on innovation and skills will be critical, particularly to support small businesses and microbusinesses.

Some businesses struggled to find workers as Covid-19 restrictions eased during the summer of 2021. The accommodation and food service sectors displayed a record number of vacancies and there was evidence of a shortage of skilled staff and of employees finding alternative areas of employment.⁸⁰

Very significant numbers of jobs in the tourism and hospitality sectors in Wales were furloughed during the Coronavirus pandemic and this saved many jobs in Gwent. However, there was a reversal in this in summer 2021 as tourism businesses experienced difficulties in getting staff to return to work, resulting in nationwide staff shortages following the coronavirus pandemic.

Impacts on different groups

The Centre for Economic Performance at the London School of Economics found that previous recessions disproportionately impacted the youngest, the poorest, and ethnic minorities. This has also been the case during the pandemic.

Young people in Wales were the most likely to work in a 'shutdown sector' before the pandemic, and also to be furloughed. There's concern that we may see a 'scarred generation' that experiences long-term effects of youth unemployment. The Fifth Senedd's EIS Committee called for the next Welsh Government to consider introducing a Youth Opportunity Guarantee for 16-24 year olds to help tackle youth unemployment.

The Resolution Foundation found that low-paid workers are "more likely to have lost their job, or hours and pay, or to have been furloughed". The Fair Work Commission, established by the previous Welsh Government, made wide-ranging recommendations to deliver fair work. However, the pandemic has added to the challenges many low-paid workers were already facing. In addition to calling for the Welsh Government to fully implement the Commission's recommendations, the Wales Trade Union Congress has outlined further ways that it believes the next Welsh Government should deliver a fairer society.

Low and middle income workers, unemployed and economically inactive people will inevitably start to struggle financially with the increasing cost of living and the changes to National Insurance and energy price rises from April 2021. Combined with the economic impact of the pandemic meaning Gwent businesses and communities are still in the process of recovery, more interventions and support might be required nationally, regionally and locally in order to mitigate against these cost of living pressures.

Professor Emmanuel Ogbonna's report for the previous Welsh Government outlined employment and income inequalities that ethnic minorities face. The Wales Centre for Public Policy has proposed actions to address these, including improving workplace representation and progression, tackling workplace discrimination, and addressing the ethnicity pay gap. The

previous Welsh Government consulted on its draft Race Equality Action Plan, but it's for the next government to decide how to take this forward.

Redundancies in previous recessions have tended to be in sectors that mainly employ men. However, women represent 45% of those who have been made redundant since the start of the pandemic, compared to around a third of those made redundant following the 2008 recession. Women have also been more likely than men to work in a 'shutdown sector', and since July 2020 more women have been furloughed than men. Chwarae Teg has called for a feminist economic recovery, which recognises that care is as important as the production of goods.

Opportunities to change how the Welsh economy works

Professor Gillian Bristow and Dr Adrian Healy state that building a more diverse economy, place-based development and local ownership will build long-term resilience to future shocks. They say that addressing long-term challenges such as the wellbeing of future generations and shifting to a zero-carbon economy would also build resilience.

There's consensus around the need for a 'green recovery', but different views on what this means in practice. The Confederation of British Industry Wales has called for green infrastructure investment to be prioritised through retrofitting homes and developing electric vehicle charging networks.

The Welsh Green Recovery Task & Finish Group, agreed a definition of green recovery relevant to the range of ecosystems on land and sea including practical, prioritised actions that:

- reduce carbon emissions and increase resilience to the impacts of climate change
- reverse the decline in biodiversity
- connect people and nature
- tackle unsustainable levels of production and consumption by keeping resources in use for as long as possible, avoiding all waste and moving to more sustainable alternatives
- In taking forward these actions, investment should be targeted to ensure that:
 - job creation, skills development and new markets are prioritised
 - groups, communities and places that are most vulnerable / have been hit hardest are prioritised to address underlying socio-economic inequalities and inequities

The recovery plan must deliver on all six of these elements together, not just one in isolation⁸¹. RSPB Cymru believes that a green recovery should support the natural environment to recover and resources to be managed sustainably. The Future Generations Commissioner has highlighted the importance of focusing widely across a number of areas and investing in skills for new green jobs.

The previous Welsh Government sought to use the foundational economy to "build resilience in our local economies, to create better jobs closer to home and to build stronger local

businesses”. But barriers will need to be removed to achieve this – such as reforming procurement, and addressing low pay and insecure working conditions.

The Welsh public sector spends approximately £6.3bn per annum through procurement. The current Welsh Government is looking to work with public sector partners and business to maximise the value of Welsh public procurement to the Welsh economy and help Wales-based businesses compete for contracts.⁸² This is particularly important during the post-EU era where there is an opportunity to drive local business growth through public sector procurement and improve food provision through local supply chains. By moving from a process-driven approach towards an outcomes-based approach, we can ensure the £6bn spent annually by the public sector in Wales delivers the best outcomes across all four dimensions of well-being for current and future generations.⁸³

The Foundational Economy if nurtured and supported with the correct interventions could be integral to a strong and stable economy in Gwent, offering specific opportunity for key sectors like health and social care key population groups including those currently furthest from the labour market. In addition, there are opportunities to support, growth, diversification and new business within the Foundational Economy, like in the priority sectors identified by the CCR, increasing the number and breadth of jobs (and skills) available locally.

The Foundational Economy Challenge Fund has supported valleys-based projects, offering support for experimental projects to test how Welsh Government can best help nurture and grow the foundations of our local economies, with a view to sharing successful approaches across Wales.

The CCR £10m Challenge Fund aimed at re-building local wealth through bringing innovative solutions to tackling some of the region’s most urgent societal problems provides an opportunity to improve local supply chain growth and development across Gwent. This could be through developing local solutions to the relationship between food and health, supporting rural communities through town centres and high streets, or building decarbonisation into the transport system.

Reduction in carbon emissions and uncertainty associated with the economic impact of Covid-19 and the UK’s exit from the EU, require alternative thinking to ensuring long-term sustainable employment and skills to support the Gwent economy. Supporting and strengthening the Foundational Economy is one way in which this could be explored.

Developing initiatives, especially linked to maximising local procurement and supply chains will support local businesses and therefore local employment. Additional support to the sector could also seek to raise standards (higher skills, better wages) offering better long-term prospects for future generations.

It’s clear that there are significant short and long-term challenges facing the Welsh economy, and that these will be particularly acute in some sectors. However, there are also undoubted opportunities to improve the way that the economy works for all.

The Regional Economic Framework for South East Wales identifies a number of challenges and opportunities for the CCR that apply to Gwent too. These include innovation, research

and competitiveness, place and connectivity (physical and digital), and climate change, sustainability and resilience.⁸⁴ The final Framework once published seeks to outline a set of shared priorities for the region that support inclusive and sustainable economic growth that maximises opportunities to address regional and local inequalities.

There are also a number of questions to which answers will emerge over coming years. What impact will greater remote working have on commuting and work patterns, and how will this affect our town and city centres? What does the future hold in terms of automation and artificial intelligence, and how might these impact on productivity and jobs? The next Welsh Government will need to respond to developments in these areas as well as securing economic recovery⁸⁵.

8.2 Exit from the EU

The Trade and Cooperation Agreement (TCA) between the UK and the EU was agreed on 24 December 2020, a week before the transition period ended on 31 December bringing in a new relationship between the UK and the EU.

The end of the transition period saw significant changes in practical terms to Wales' and the UK's relationship with Europe: the end of freedom of movement for people and barrier-free access to the Single Market, ending participation in the Customs Union and the application to the UK of the EU's rules and international agreements.

Tourism was also one of the key sectors impacted by the UK's exit from the EU and the combined impact of Covid-19 and Brexit has resulted in shortages of workers.

According to the Wales Tourism Business Barometer 2021 – Covid Impact Wave 7 (a survey of 800 businesses including 123 in South East Wales), the reasons given by businesses for difficulties in filling jobs included other sectors being perceived as offering better pay, more desirable hours (less antisocial) or greater job security. While staff had time to reflect on furlough, returning to their job in tourism no longer held appeal. Most (76%) of the businesses surveyed with vacancies were looking to fill positions requiring a low level of skill or experience.

While the tourism sector in Gwent has the potential to recover in terms of demand going forward, realising that potential will depend on the ability for businesses to find the staff and skills they need.

What it means for Wales

UK trade is projected to be around 10.5% lower in the long run under the new agreement, and productivity and GDP around 3.25% lower.

Whilst the key achievement of the agreement is that it provides for zero tariffs and zero quotas on all goods produced in the UK and EU, this does not mean we have the same sort of access to the EU markets which we previously enjoyed; there are significant new non-tariff barriers and new restrictions on what goods can benefit from the tariff and quota-free market access through the restrictive rules of origin

These trade restrictions will all have very real-world implications for the economy, businesses and people's jobs. Indeed, in the view of the Welsh Government and many independent analysts, the TCA only provides a framework for a relationship that will need to evolve further. In many areas there are substantial agreements and arrangements still to be put in place and it does not currently reflect the full complexity of the range of areas of collaboration which are needed between the UK and the EU.

The consequences of the agreement are broad-ranging and the actions being taken to prepare for them. Many of these are day one –week one issues with some actions needed to prepare our businesses and communities for the changes at the beginning of this year and actions in place to ensure we maintain a smooth supply of critical goods. But many other actions are required to prepare Wales for a fundamentally different relationship with the EU. This includes the significant programme of investment required at ports in Wales to be ready for the phasing in of new import controls.

These changes will have implications for communities around Holyhead and the ports in south west Wales but also for the businesses that trade through them. Our priority has been and will continue to be focused on supporting citizens in Wales and the Welsh economy to react to the inevitable change and challenges the TCA has delivered⁸⁶.

A failure to replace lost EU structural funds could see austerity measures return to Wales, the current Welsh Government Minister for Economy has warned.

In an interview with the Financial Times, The Minister said: "The chancellor said there won't be a return to austerity. Actually, if money disappears . . . you could find yourselves having to make choices that look very similar to the choices I was having to make as a minister when austerity was at its height."

Wales has lost an estimated £375 million a year in EU economic aid⁸⁷. Unless this shortfall is addressed, the Welsh Government would have to 'balance budgets' and make the kinds of decisions taken when 'austerity was at its height'.

For farmers in Gwent, the UK has left the Common Agriculture Policy as part of the exit from the EU. An interim CAP-style system is being maintained under the UK Agriculture Act 2020 until Wales transitions to new domestic schemes. The future agricultural policy will be developed in the context of new trade agreements. Farmers are calling for a trade strategy that seeks to both maximise access to overseas markets while safeguarding Wales's high food and farming standards.

Analysis from the Welsh Centre for Public Policy suggests that the most likely changes in trading conditions would tend to disadvantage the competitive position of Welsh agriculture within its main current markets and trading competitors (particularly in sheep and beef). Generally reduced levels and scope of public funding by comparison with those the sector has enjoyed in recent remain a possibility, as does a reduction in seasonal migrant labour in the long-term.

However, within these challenging probable change scenarios, there are opportunities if farm businesses are enabled to respond adaptively, for example in respect of potential changes to

trading patterns and options domestically and internationally, and targeting and added value of domestic support to agriculture, forestry, the natural environment and rural development in Wales.⁸⁸

8.3 EU transition for Gwent

The EU structural funds ended in December 2020 but the UK Government has pledged to replace the shortfalls in Wales, Scotland and Northern Ireland. Westminster plans to create a UK Shared Prosperity Fund (SPF) with around £1.5 billion made available annually but there are no details on exactly how this will work.

In the meantime, a Community Renewal Fund (CRF) as part of the UK Government's Levelling Up agenda will provide £46m of funding across Wales to help local areas prepare for the launch of the UK SPF in 2022. 100 "priority places" for the UK CRF have been identified based on a UK Govt. index of economic resilience, including 14 places in Wales, with two of these in Gwent: Blaenau Gwent and Torfaen. The funding was awarded to Welsh Local Authority areas in November 2021 to pilot new programmes that invest in local people and businesses, boost skills, and support decarbonisation. The total amount awarded across Gwent is as follows⁸⁹:

- Blaenau Gwent - £2,708,218
- Caerphilly - £1,327,368
- Monmouthshire - £4,455,730
- Newport - £2,853,143
- Torfaen - £3,861,344
- **GWENT - £15,205,803**

As part of the previous 2014 – 2020 EU Structural and Investment Funds (ESIF) growth programme, it is estimated that Wales would have received at least £375m in new EU funding to invest during 2021. The £46m awarded to Wales through the replacement EU funding from UK Government therefore currently falls short of the levels of investment experienced previously through ESIF, but it remains to be seen whether investment will be levelled up to pre-Brexit levels across Wales via the SPF from 2022.

Wales, Scotland and Northern Ireland have raised concerns that the SPF and CRF plans by the UK Government bypass the devolved administrations⁹⁰.

Grant Thornton undertook an analysis in 2020 on behalf of The Welsh Local Government Association (WLGA) in connection with the EU Transition support programme for Welsh local authorities. This considers factors which are most likely to impact on a place's ability to adapt in a post-Brexit UK including a 'Community Vulnerability Index' comprising of unemployment, low skills, low level occupations, no qualifications, income and deprivation data.

- Blaenau Gwent ranks highest out of the Gwent local authorities, in the top 20% in Grant Thornton's Community Vulnerability Index, indicating very high levels of social

vulnerability to EU transition. Monmouthshire ranks lowest, in the bottom 20% of the Index, indicating low levels of social vulnerability to the EU transition.

- Notable areas of vulnerability include the very high levels of people employed in elementary occupations, very low skills levels, and very low total incomes in Blaenau Gwent; the very high levels of unemployment and high proportion of people with NVQ1 in Caerphilly; the very low income levels and high proportion of population qualified to only NVQ 1 in Torfaen; and very high deprivation levels in Newport.
- Blaenau Gwent and Caerphilly have seen large declines in EU NINO (adult overseas nationals entering the UK and allocated a National Insurance Number), reducing by 59.8% and 52.9% respectively, between 2016 and 2020. Newport has seen a 39.8% decline, which is very low compared to the comparator group.
- Blaenau Gwent has a high proportion of employment in both Manufacturing and Retail, Caerphilly - employment in Manufacturing and Wholesale, Monmouthshire - employment in Motor trades and Wholesale, Torfaen - employment in Manufacturing, all of which are identified as the most 'at risk' industries in relation to the EU transition. Relative to all other Welsh authorities, Newport has low levels of employment in 'at risk' sectors.
- GVA per job in Gwent ranges between 6th ranking nationally in Caerphilly and 16th in Torfaen.
- The claimant rate has risen since March for all LA's and has remained above the Welsh and UK average in Blaenau Gwent, Torfaen and Newport but well below the Welsh and UK average in Monmouthshire. In Caerphilly this has remained at similar levels to Wales and the UK.

Blaenau Gwent, Caerphilly, and Torfaen have had an above average take-up rate of the Self-employment Income Support Scheme. Monmouthshire and Newport have had low CJRS take-up rates.⁹¹

In summary, the fundamental difference in our relations with the EU in 2021 as compared to 2020 is that we no longer participate in the free movement of people, goods, services and capital between the UK and the 27 Member States of the EU and consequently, face new barriers to trade in goods and services and to our rights to travel, live and work elsewhere in Europe.

The implications will be far reaching for all parts of the economy. Businesses and organisations across Gwent will need to possess the ability to adapt and navigate the changing circumstances associated with the UK's exit from the EU as well as the ongoing Covid-19 pandemic, in order for future generations to continue to gain opportunities to enhance their economic well-being.

Table of Figures

Figure 1: Economic activity rate - aged 16-64, Jan-Dec 2020.....	4
Figure 2: Employment rate – aged 16-64, Jan-Dec 2020.....	5
Figure 6 Percentage of people in employment on a zero-hours contract.....	6
Figure 3 Percentage aged 16-64 who are self-employed, Jan – Dec 2020.....	7
Figure 4 SEISS claims for the fourth grant of SEISS to 6 June 2021.	7
<i>Figure 5 Employment by occupation, aged 16-64, 2020.....</i>	<i>8</i>
Figure 7 Employment by industry type, aged 16-64, 2019. (Note that industry type percentage is only labelled where it comprises 3.5% or more employed within local authority).....	9
Figure 8 Gross weekly average pay by place of residence (£), Gwent local authorities, 2020.....	11
Figure 9 Gross weekly average pay (£) by place of residence Gwent local authorities, 2011 – 2020..	11
Figure 10 GDHI (£), Gwent local authorities, 2018	12
Figure 11 GDHI (£), Gwent local authorities, 2009 – 2018	13
Figure 12 Working/mixed/ workless households aged 16-64 for Gwent local authorities, 2019	13
Figure 13 Workless households Gwent local authorities, 2010 – 2019.....	14
Figure 14 Unemployment rate - aged 16-64, Jan – Dec 2020.	15
Figure 15 Unemployment rate – 2010 to 2020. Add ref as endnote.....	15
Figure 16 Furloughed employments within constituency, as of 31 March 2021.	16
Figure 17 Gwent local authorities in highest overall WIMD deprivation ranking.	18
Figure 18 Percentage of LSOAs per Gwent local authority in highest overall WIMD deprivation ranking.	18
Figure 19 Location of LSOA's per Gwent local authorities in highest employment deprivation ranking	19
Figure 20 Percentage of LSOA's per Gwent local authorities in highest employment deprivation ranking	20
Figure 21 Location of LSOAs per Gwent local authorities in highest Income deprivation ranking	20
Figure 22 Percentage of LSOA's per Gwent local authorities in highest income deprivation ranking .	20
Figure 23 Claimant count - residents aged 16-64, May 2021	22
Figure 24 Claimant count as a percentage of residents aged 16-64, May 2021	22
Figure 25 Claimant count as a percentage of residents aged 16-64	23
Figure 26 Percentage of families impacted by cut to universal credit and working tax credits in October 2021.	24
Figure 27 Economic inactivity rate - aged 16-64, Jan – Dec 2020.....	25
Figure 28 Economic inactivity rate by reason, Jan – Dec 2020.....	25
Figure 29 Food parcel deliveries, Trussell Trust distribution.....	27
Figure 30 Food poverty groups, January 2021.....	30
Figure 31 Active business enterprises per 10,000 working age, 2019.....	32
Figure 32 Active business per 10,000 working age, 2008 - 2019.....	33
Figure 33 Rate of new active businesses per 10,000 working age population.....	33
Figure 34 Rate of active business closures per 10,000 working age population	34
Figure 35 Percentage of new businesses surviving three years of trading.....	34
Figure 36 Economic Impact of Tourism in Gwent 2015 - 2020.....	36
Figure 37 Visitor Numbers (total) in Gwent 2015 – 2020	36
Figure 38 Visitor Numbers (staying) in Gwent 2015 - 2020.....	37
Figure 39 Visitor Days in Gwent 2015 - 2020.....	37
Figure 40 Full Time Equivalent jobs supported by tourism spend in Gwent 2015-2020.....	38
Figure 41 Percentage of working residents living in each local authority who commute out of the area, 2020	43

Figure 42 Percentage of people working in each local authority who are commuting into the area, 2020	43
Figure 43 Detailed commuting patterns in Wales by Welsh local authority, 2020 (Note that each local authority sum does not equal the Wales total due to use of sample data and low values are not reported).....	44
<i>Figure 44 Percentage of workers usually travelling to work by car by region of workplace, Great Britain, 2018.....</i>	<i>45</i>
<i>Figure 45 Usual method of travel to work by region of residence: Great Britain, October to December 2019</i>	<i>45</i>
Figure 46 Proportion of workers that completed work from home, 2020.....	46
Figure 47 Percentage of workers that completed some work from home, broken down by NUTS 3, UK, 2019 compared to 2020.	47
Figure 48 Proportion of residents with household internet access, 2019-2020	50
Figure 49 Proportion of residents who use internet (including smart TV and handheld devices), 2019-2020	50

References:

- ¹ Nomis Official Labour Market Statistics (Annual population survey) <https://www.nomisweb.co.uk/>
- ² ONS Guide to Labour Market Statistics
<https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/methodologies/aguidetolabourmarketstatistics>
- ³ Nomis Official Labour Market Statistics (Annual population survey) <https://www.nomisweb.co.uk/>
- ⁴ Nomis Official Labour Market Statistics (Annual population survey - workplace analysis)
<https://www.nomisweb.co.uk/>
- ⁵ PHW Covid-19 and Employment Changes in Wales
<https://phw.nhs.wales/publications/publications1/covid-19-and-employment-changes-in-wales-what-we-know-about-current-and-future-impacts/>
- ⁶ ONS Employment & Labour Market Statistics
<https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/datasets/emp17peopleinemploymentonzerohourscontracts>
- ⁷ Nomis Official Labour Market Statistics (Annual population survey) <https://www.nomisweb.co.uk/>
- ⁸ Gov.UK Self-Employment Income Support Scheme statistics: July 2021
<https://www.gov.uk/government/statistics/self-employment-income-support-scheme-statistics-july-2021>
- ⁹ Nomis Official Labour Market Profile – Wales
<https://www.nomisweb.co.uk/reports/lmp/gor/2013265930/report.aspx#tabempocc>
- ¹⁰ Nomis Official Labour Market Statistics Business Register and Employment Survey)
<https://www.nomisweb.co.uk/>
- ¹¹ The Health Foundation, April 2021 <https://health.org.uk/evidence-hub/work/job-security/percentage-of-employees-in-involuntary-insecure-work-by-region>
- ¹² Nomis Official Labour Market Statistics (Annual Survey of Hours and Earnings - resident analysis)
<https://www.nomisweb.co.uk/>
- ¹³ StatsWales Average (median) gross weekly earnings by Welsh local areas and year
<https://statswales.gov.wales/Catalogue/Business-Economy-and-Labour-Market/People-and-Work/Earnings/medianweeklyearnings-by-welshlocalareas-year>
- ¹⁴ Wales Centre for Public Policy, 'The Future of Work in Wales'
<https://www.wcpp.org.uk/publication/future-of-work-in-wales/>
- ¹⁵ Nomis Official Labour Market Statistics (Annual population survey) <https://www.nomisweb.co.uk/>
- ¹⁶ StatsWales Workless households in Wales by age, variable, household status and year
<https://statswales.gov.wales/Catalogue/Business-Economy-and-Labour-Market/People-and-Work/Workless-Households/worklesshouseholdsinwales-by-age-variable-householdstatus-year>
- ¹⁷ Nomis Official Labour Market Statistics (Annual population survey) <https://www.nomisweb.co.uk/>
- ¹⁸ Nomis Official Labour Market Statistics (Annual population survey) <https://www.nomisweb.co.uk/>
- ¹⁹ Nomis Official Labour Market Statistics (Annual population survey) <https://www.nomisweb.co.uk/>
- ²⁰ ONS Redundancies by Age, Industry and Region
<https://www.ons.gov.uk/employmentandlabourmarket/peoplenotinwork/redundancies/datasets/redundanciesbyindustryagesexandreemploymentratesred02>
- ²¹ HMRC, Coronavirus Job Retention Scheme statistics: 6 May 2021
<https://www.gov.uk/government/statistics/coronavirus-job-retention-scheme-statistics-6-may-2021/coronavirus-job-retention-scheme-statistics-6-may-2021>
- ²² Office for Budget Responsibility Coronavirus Analysis <https://obr.uk/coronavirus-analysis/>
- ²³ HMRC, Coronavirus Job Retention Scheme statistics: February 2021- data tables, 25 February 2021
[Coronavirus Job Retention Scheme statistics: February 2021 - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/statistics/coronavirus-job-retention-scheme-statistics-february-2021)
- ²⁴ Coronavirus Job Retention Scheme statistics Wales: 29 July 2021 <https://gov.wales/coronavirus-job-retention-scheme-statistics-29-july-2021>
- ²⁵ Welsh Government Welsh Index of Multiple Deprivation 2019 Results Report
<https://gov.wales/sites/default/files/statistics-and-research/2019-11/welsh-index-multiple-deprivation-2019-results-report-024.pdf>

-
- ²⁶ StatsWales Welsh Index of Multiple Deprivation 2019
<https://statswales.gov.wales/Catalogue/Community-Safety-and-Social-Inclusion/Welsh-Index-of-Multiple-Deprivation/WIMD-2019>
- ²⁷ Welsh Government Welsh Index of Multiple Deprivation 2019 Results Report
<https://gov.wales/sites/default/files/statistics-and-research/2019-11/welsh-index-multiple-deprivation-2019-results-report-024.pdf>
- ²⁸ StatsWales Welsh Index of Multiple Deprivation 2019
<https://statswales.gov.wales/Catalogue/Community-Safety-and-Social-Inclusion/Welsh-Index-of-Multiple-Deprivation/WIMD-2019>
- ²⁹ Welsh Government Welsh Index of Multiple Deprivation 2019 Results Report
<https://gov.wales/sites/default/files/statistics-and-research/2019-11/welsh-index-multiple-deprivation-2019-results-report-024.pdf>
- ³⁰ StatsWales Welsh Index of Multiple Deprivation 2019
<https://statswales.gov.wales/Catalogue/Community-Safety-and-Social-Inclusion/Welsh-Index-of-Multiple-Deprivation/WIMD-2019>
- ³¹ Welsh Government Relative Income Poverty: April 2019 to March 2020 <https://gov.wales/relative-income-poverty-april-2019-march-2020-html>
- ³² Hick & Lanau March 2017, In-Work Poverty in the UK: Problem, Policy Analysis and Platform for Action https://www.cardiff.ac.uk/_data/assets/pdf_file/0009/758169/Hick-and-Lanau-In-work-poverty-in-the-UK.pdf
- ³³ Nomis Official Labour Market Statistics (Annual population survey) <https://www.nomisweb.co.uk/>
- ³⁴ Joseph Rowntree Foundation, Universal Credit – the impact of cutting the £20-a-week
<https://www.jrf.org.uk/universal-credit-cut-impact-constituency>
- ³⁵ Nomis Official Labour Market Statistics (Annual population survey) <https://www.nomisweb.co.uk/>
- ³⁶ Nomis Official Labour Market Statistics (Annual population survey) <https://www.nomisweb.co.uk/>
- ³⁷ Senedd Research May 2021, Social Care: a system at breaking point?
<https://research.senedd.wales/research-articles/social-care-a-system-at-breaking-point/>
- ³⁸ Careers Wales Pupil Destinations 2020 <https://careerswales.gov.wales/education-and-teaching-professionals/pupil-destinations>
- ³⁹ Gov.Wales <https://gov.wales/young-people-not-education-employment-or-training-neet-2020>
- ⁴⁰ Trussell Trust end of year stats <https://www.trusselltrust.org/news-and-blog/latest-stats/end-year-stats/#total>
- ⁴¹ Food Foundation [FF_Impact-of-Covid_FINAL.pdf](https://www.foodfoundation.org.uk/wp-content/uploads/2020/07/FF_Impact-of-Covid_FINAL.pdf) (foodfoundation.org.uk)
- ⁴² University of Sheffield UK Local Food Insecurity of Adults Jan 2021
<https://shefuni.maps.arcgis.com/apps/instant/interactivelegend/index.html?appid=8be0cd9e18904c258afd3c959d6fc4d7>
- ⁴³ University of Sheffield UK Local Food Insecurity of Adults Jan 2021
<https://shefuni.maps.arcgis.com/apps/instant/interactivelegend/index.html?appid=8be0cd9e18904c258afd3c959d6fc4d7>
- ⁴⁴ Coram Family and Childcare Survey 2021
https://www.familyandchildcaretrust.org/sites/default/files/Resource%20Library/Childcare%20Survey%202021_Coram%20Family%20and%20Childcare.pdf
- ⁴⁵ <https://www.childcomwales.org.uk/our-work/policy-positions/childcare/>
- ⁴⁶ Blaenau Gwent Childcare Sufficiency Assessment and Action Plan 2017
- ⁴⁷ Caerphilly Childcare Sufficiency Assessment 2017
- ⁴⁸ Monmouthshire Childcare Sufficiency Assessment Form 2017
- ⁴⁹ Newport Childcare Sufficiency Assessment Annual Refresh 2020-21
- ⁵⁰ Torfaen Childcare Sufficiency Assessment 2017
- ⁵¹ StatsWales Active Business Enterprises per 10,000 population
<https://statswales.gov.wales/Catalogue/Business-Economy-and-Labour-Market/Businesses/Business-Demography/activebusinessenterprisesperpopulation-by-area-year>

-
- ⁵² StatsWales Business births, deaths and active enterprises by area <https://statswales.gov.wales/Catalogue/Business-Economy-and-Labour-Market/Businesses/Business-Demography/businessbirthsdeathsactiveenterprises-by-area-variable>
- ⁵³ Welsh Government, Business Wales <https://businesswales.gov.wales/non-domestic-rates-retail-leisure-and-hospitality-rates-relief-wales-2021-22>
- ⁵⁴ GTS (UK) Ltd STEAM data, November 2021 <https://www.globaltourismsolutions.co.uk/steam-model>
- ⁵⁵ Cardiff Capital Region <https://www.cardiffcapitalregion.wales/>
- ⁵⁶ Cardiff Capital Region City Deal <https://www.cardiffcapitalregion.wales/the-city-deal/>
- ⁵⁷ Cardiff Capital Region, State of the Region <https://www.cardiffcapitalregion.wales/wp-content/uploads/2020/12/ccr-state-of-the-region-part-2-competitive-con-1-5-compressed.pdf>
- ⁵⁸ Cardiff Capital Region Investment Framework <https://www.cardiffcapitalregion.wales/wp-content/uploads/2019/06/ccr-investment-framework.pdf>
- ⁵⁹ Cardiff Capital Region <https://www.cardiffcapitalregion.wales/news-events/latest-news/cardiff-capital-region-cabinet-approves-new-investment-proposals/>
- ⁶⁰ Cardiff Capital Region Industrial and Economic Plan <https://cardiffcapitalregion.wales/wp-content/uploads/2019/02/ccr-industrial-and-economic-growth-plan-english.pdf>
- ⁶¹ Renewable and Low Carbon Energy Assessment Regional Summary. Carbon Trust, December 2020
- ⁶² Renewable and Low Carbon Energy Assessment Regional Summary. Carbon Trust, December 2020
- ⁶³ StatsWales Commuting patterns by Welsh local authority <https://statswales.gov.wales/Catalogue/Business-Economy-and-Labour-Market/People-and-Work/Employment/Commuting/commutingpatterns-by-welshlocalauthority-measure>
- ⁶⁴ StatsWales Detailed commuting patterns in Wales by Welsh local authority <https://statswales.gov.wales/Catalogue/Business-Economy-and-Labour-Market/People-and-Work/Employment/Commuting/detailedcommutingpatterns-in-wales-by-welshlocalauthority>
- ⁶⁵ Department for Transport, Transport Statistics Great Britain 2019 https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/870647/tsgb-2019.pdf
- ⁶⁶ ONS Usual Method of Transport to work, October – December 2019 <https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/adhocs/11694usualmethodoftraveltoworkbyregiontraveltoworkareaoccupationandindustryukoctobertodecember2019>
- ⁶⁷ ONS Homeworking hours, rewards and opportunities in the UK: 2011 – 2020 <https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/labourproductivity/articles/homeworkinghoursrewardsandopportunitiesintheuk2011to2020/2021-04-19>
- ⁶⁸ Welsh Government Remote Working <https://gov.wales/remote-working>
- ⁶⁹ Welsh Government, A New Wales Transport Strategy 2021
- ⁷⁰ Welsh Government, The Future of Work: the impact of innovative technology on the workforce <https://gov.wales/the-future-of-work-the-impact-of-innovative-technology-on-the-workforce-html>
- ⁷¹ National Survey for Wales <https://gov.wales/national-survey-wales-results-viewer>
- ⁷² House of Commons Library, Constituency Data: broadband coverage and speeds <https://commonslibrary.parliament.uk/constituency-data-broadband-coverage-and-speeds/#national>
- ⁷³ Welsh Government Digital Strategy for Wales <https://gov.wales/digital-strategy-wales-html>
- ⁷⁴ Welsh Government, 2021, Future Trends Report 2021 Evidence Pack Accessed here: <https://gov.wales/sites/default/files/publications/2021-12/future-trends-report-wales-2021-evidence-pack.pdf>
- ⁷⁵ UK Climate Change Risk Assessment 2017: Evidence Report. Summary for Wales.
- ⁷⁶ UK Climate Change Risk Assessment 2017: Evidence Report. Summary for Wales.
- ⁷⁷ Employment by industry type, aged 16-64, 2019. Nomis Business Register & Employment Survey.
- ⁷⁸ New Economics Foundation & Future Generations Commissioner for Wales, Skills through Crisis: Upskilling and (Re)Training for a Green Recovery in Wales https://www.futuregenerations.wales/resources_posts/skills-through-crisis-upskilling-and-retraining-for-a-green-recovery-in-wales/

-
- ⁷⁹ CCR Skills Partnership Employment & Skills Plan 2019-22
<https://businesswales.gov.wales/skillsgateway/skills-development/regional-skills-partnerships>
- ⁸⁰ ONS Vacancies and Jobs in the UK: July 2021
<https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/bulletins/jobsandvacanciesintheuk/july2021>
- ⁸¹ Natural Resources Wales, Green Recovery: Supporting the Environmental Sector in Wales 2020
<https://naturalresources.wales/about-us/strategies-and-plans/green-recovery-supporting-the-environmental-sector-in-wales/?lang=en>
- ⁸² Welsh Government, Prosperity for All: Economic Action Plan
<https://gov.wales/sites/default/files/publications/2019-02/prosperity-for-all-economic-action-plan.pdf>
- ⁸³ Future Generations Commissioner, 'Procuring Well-being in Wales'
<https://www.futuregenerations.wales/wp-content/uploads/2021/02/ENG-Section-20-Procurement-Review.pdf>
- ⁸⁴ South East Wales Regional Economic Framework (draft)
https://gov.wales/sites/default/files/publications/2021-12/south-east-wales-regional-economic-framework_0.pdf
- ⁸⁵ Senedd Cymru Welsh Parliament Research, Recovering from the biggest economic challenge in living history (May 2021) <https://research.senedd.wales/research-articles/recovering-from-the-biggest-economic-challenge-in-living-memory/>
- ⁸⁶ Welsh Government, The new relationship with the EU: What it means for Wales
<https://gov.wales/the-new-relationship-with-the-eu-what-it-means-for-wales>
- ⁸⁷ Welsh Government Press Release, 28 September 2021 <https://gov.wales/uk-government-leaving-communities-dark-and-denying-wales-vital-investment-handling-successor-eu>
- ⁸⁸ Wales Centre for Public Policy, 'The Implications of Brexit for Agriculture, Rural Areas, and Land Use in Wales' <https://www.wcpp.org.uk/wp-content/uploads/2018/04/The-Implications-of-Brexit-for-Agriculture-Rural-Areas-and-Land-Use-in-Wales-1.pdf>
- ⁸⁹ UK Government, UK Community Renewal Fund: successful bids
<https://www.gov.uk/government/publications/uk-community-renewal-fund-successful-bids>
- ⁹⁰ Nation Cymru, Wales facing a return to 'austerity' unless lost EU funds are replaced (July 2021)
<https://nation.cymru/news/wales-facing-a-return-to-austerity-unless-lost-eu-funds-are-replaced-economy-minister-warns/>
- ⁹¹ WLGA EU Transition Exposure Dashboards <https://www.wlga.wales/resources-eu-transition-exposure-dashboards>