South Yorkshire Policy Briefing

4th August 2023

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This Week's Policy Highlights:

- A rising cost of living continues to affect UK households, although financial vulnerability remains stable. Renters are faring worse than mortgage holders, and food insecurity is higher in Yorkshire & Humber than the national level.

- Analysis from DCMS and the Higher Education Policy Institute highlights the creative sector's major role in exports, innovation spending and employment – regionally and in the UK.

- A recent publication by the Department for Transport explores the number of passengers travelling by rail into and out of major city centres in England and Wales. This covers trends pre- and post-covid, peak travel time differences, and the prevalence of overcrowding on busy services.

Impact of the Cost of Living Crisis on Adults in the UK

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Source: ONS

Rising Costs

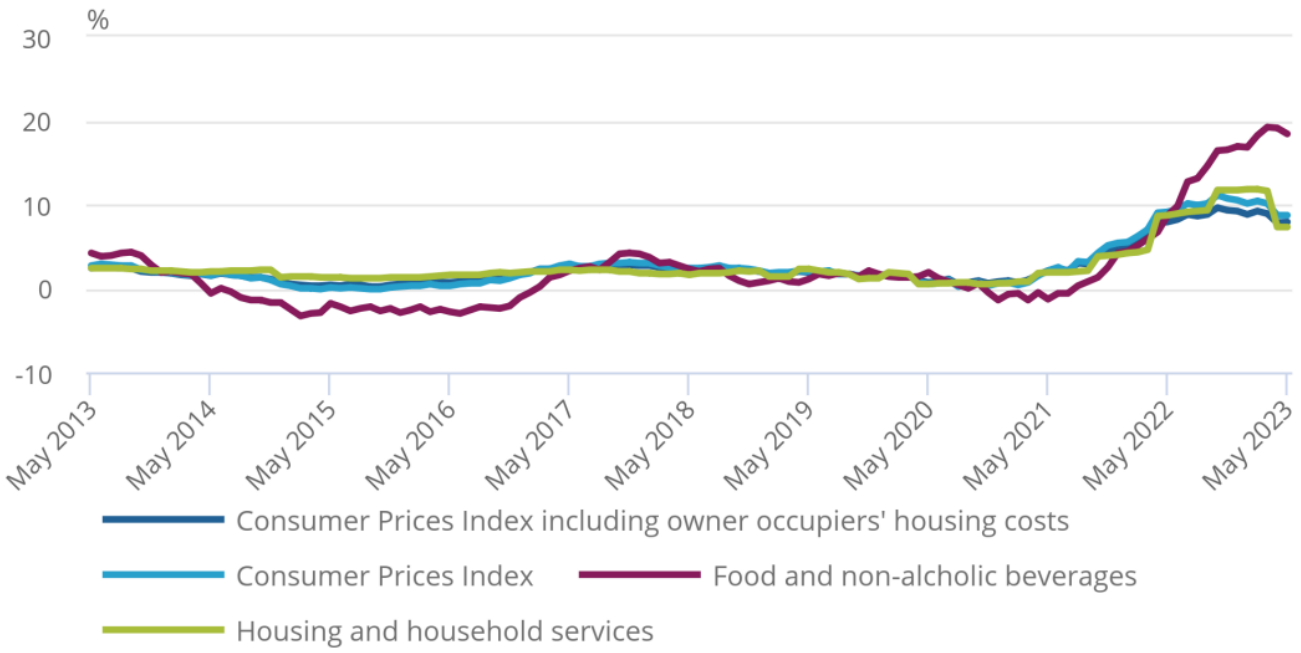
Analysis by the ONS looks at which adults are most affected by increased costs, and the characteristics associated with financial vulnerability.

The latest data collected from 28th June 2023 to 9th July 2023 shows overlaps between ONS inflation data and what adults reported as their most common increasing costs.

These increased costs include food shopping (96%), gas/electric bills (57%), price of fuel (37%), and rent/mortgage costs (27%). As shown in the table, these increasing costs match inflation data from May 2013 – May 2023.

Figure 1: Annual inflation rates by selected divisions

Annual inflation rates by selected divisions, UK, May 2013 to May 2023



Source: ONS

Financial Vulnerability

The ONS' definition of financial vulnerability is a person who is experiencing three or more of the following:

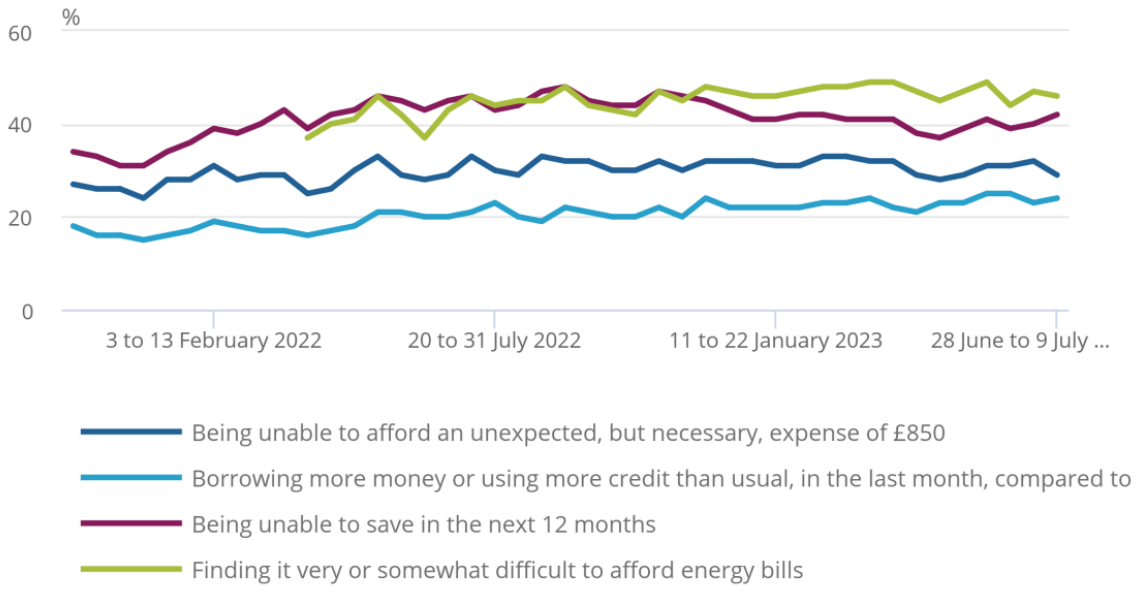
- Being unable to afford an unexpected, but necessary, expense of £850
- Borrowing more money or using more credit than usual in the last month, compared with a year ago
- Being unable to save in the next 12 months
- Finding it very or somewhat difficult to afford energy bills.

As shown in the table, the proportion of adults reporting each of these measures in 2023 is fairly stable compared to 2022.

Their analysis found that renters, those with an income of up to £10,000, adults aged 25- 34 years, and disabled adults had the highest odds of being financially vulnerable.

Figure 2: Measures of financial vulnerability are relatively stable in 2023

Great Britain, 3 November 2021 to 9 July 2023



Source: ONS

Renters vs Mortgage Holders

Data from the Public opinions and Social Trends from the last month showed that 48% of adults who currently pay rent or a mortgage reported that their payments had increased in the last 6 months.

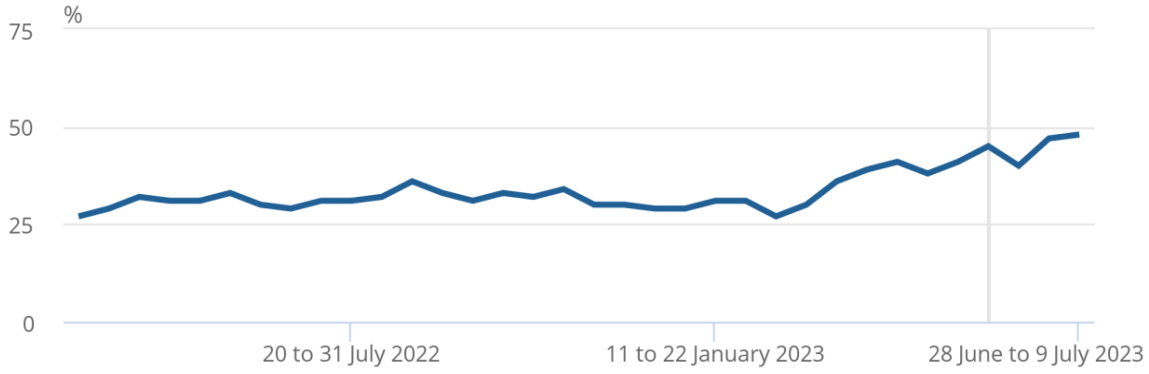
As suggested in the previous slide, adults who rented found it more difficult to afford payments (48%) compared to mortgage holders (28%).

The Living Cost and Food Survey found in 2022 that renters spent a higher proportion of their average disposable weekly income on housing costs compared to mortgage holders.

The ONS suggests that this higher spending on housing could be affecting renters' ability to afford other costs. For example, 13% of renters reported being behind on a gas or electricity bill compared to 4 % of mortgage holders.

Figure 4: The proportion of adults reporting their rent or mortgage payments have increased in the last six months has gradually increased since February 2023

Proportion among adults who are currently paying rent or mortgage, Great Britain, 16 March 2022 to 9 July 2023



Source: ONS

Food Shopping

The most common reported reason for an increase in the cost of living in this month's survey was an increase in the price of food shopping. Almost half of adults reported buying less food in the last two weeks (48%), and 45% spent more than usual on a usual shop.

Although rates are high, they have remained fairly stable in 2023, compared to the previous year. ONS suggest one reason for this stability is that people have been changing to cheaper supermarket own-brand products.

As well as having a negative financial impact, rising food prices also impact people's health. The Food Foundation reported that the most deprived 5th of the population would need to spend 50% of their disposable income on food to meet the cost of the Government recommended healthy diet.

Figure 6: Around 1 in 20 adults continue to report running out of food and being unable to afford to buy more

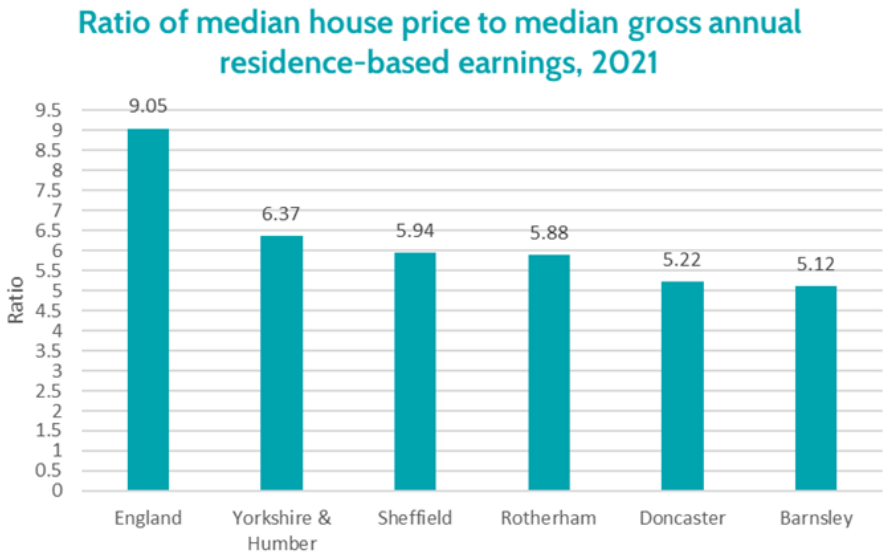
Among all adults, Great Britain, 8 September 2021 to 9 July 2023

Source: ONS Data & SYMCA Data Hub

South Yorkshire

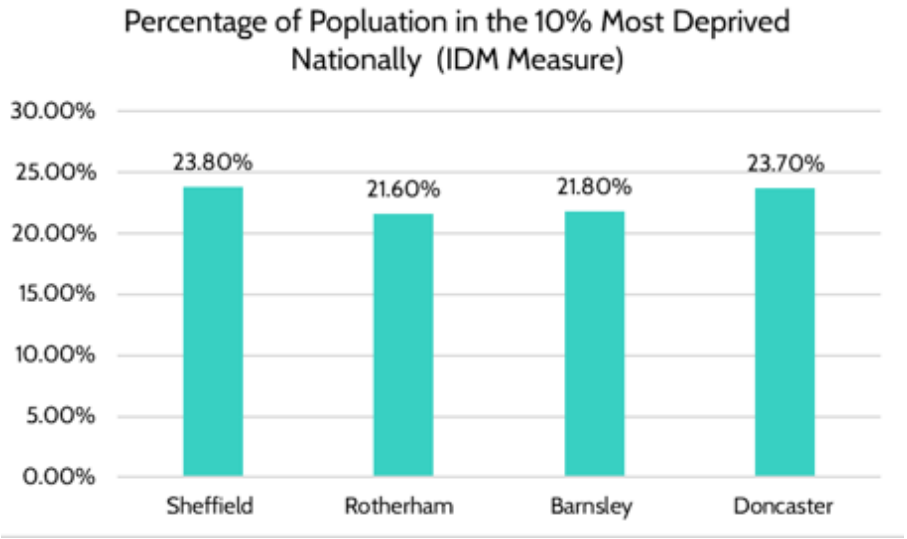
Housing:

- Although house prices in South Yorkshire are more affordable compared to the national level, as shown in the table, over 50% of new houses are currently unaffordable for those on average incomes in the region.
- Arguably, this factors into why Yorkshire & the Humber has the highest proportion of private renting of any English region outside London.



Food insecurity:

- The Trussell Trust estimates that 18% of the Yorkshire & Humber population are experiencing food insecurity, above the national of 14%.
- The region also has over 20% of the population in the 10% most deprived category of the IMD measure.



The UK's Creative Economy and Critical Links to Innovation

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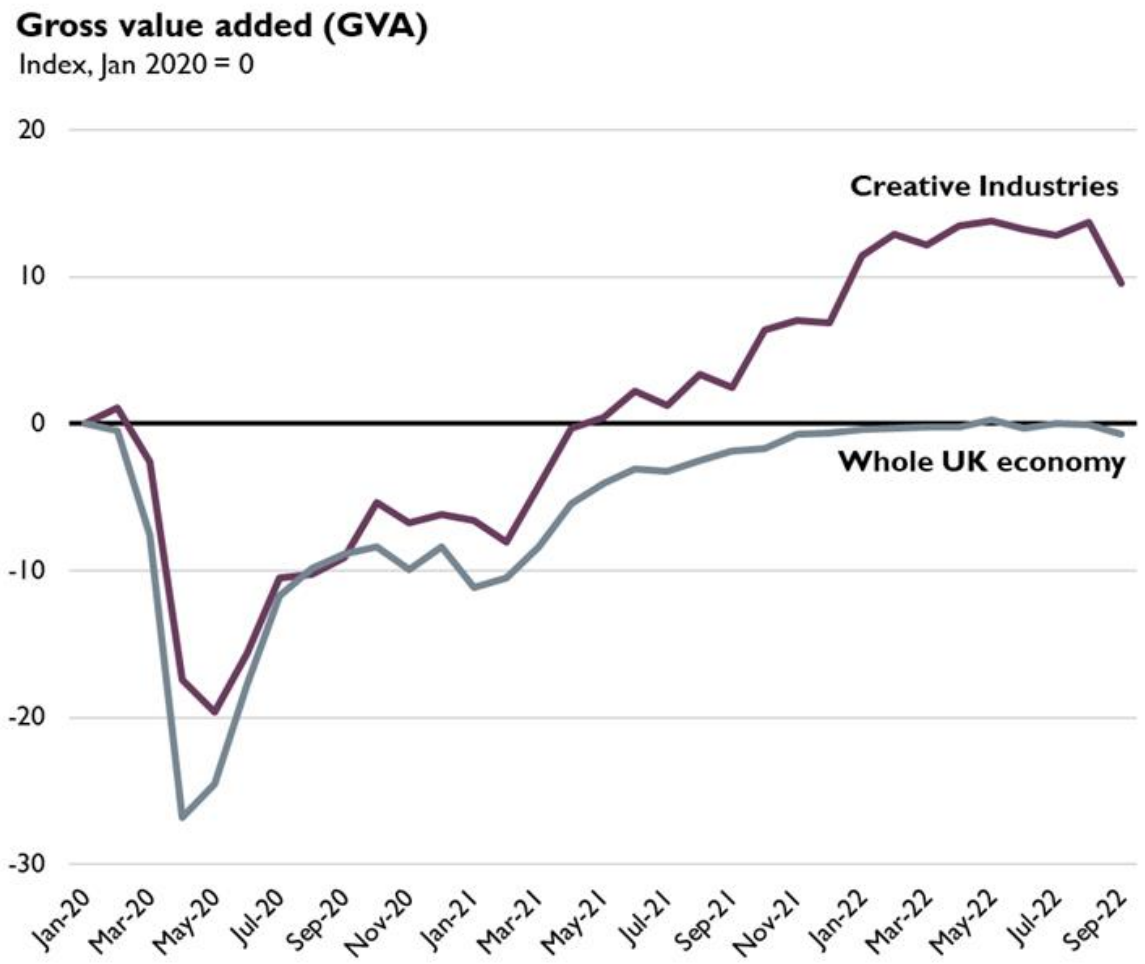
Source: ONS, House of Lords Library

The Creative Economy

Prior to the pandemic, creative industries were motors of economic growth, with employment rising by 34.5% from 2010 to 2020.

In 2019, the UK creative sector was worth £116 billion, including £36 billion in exports (more than aerospace, life-sciences, automotive, and oil/gas combined). During the pandemic, however, there were an estimated job losses of 55,000 in the sector.

Presently, the largest concentrations of creative sector employment lies within London, Greater Manchester, Liverpool and Yorkshire. Post-pandemic we can see that employment and GVA has returned to creative industries, growing by 10% since January 2020.



Source: DCMS

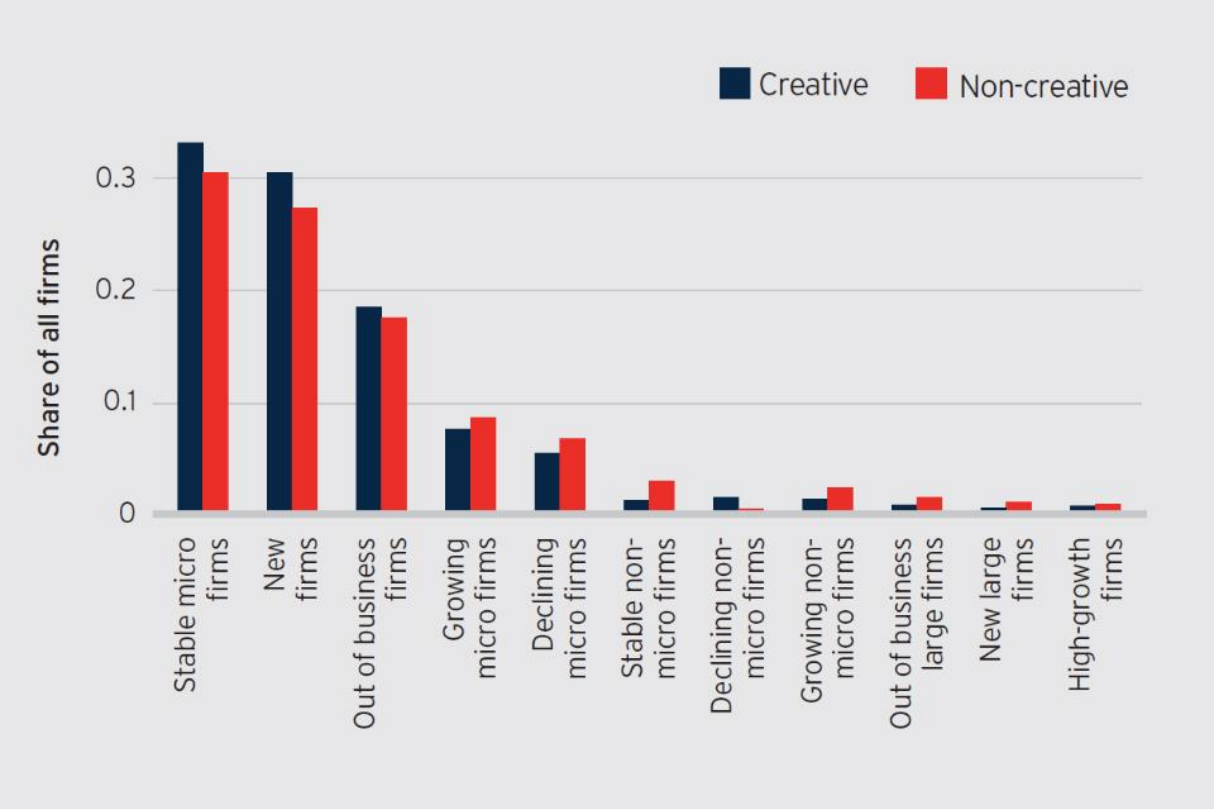
Creative Industries for Innovation

With creative roles ranging from software programmers, designers, and advertising, there are critical links to innovation as outlined in a report by Higher Education Policy Initiative. Even those in creative roles within non-creative sectors lend their skills in workplace or industry innovation.

Creative industries spent a total of £3.3 billion in R&I in 2020, amounting to 3.2% of their total GVA.

By comparison the UK average for all industries is 2.3% of respective GVA on R&I spending. This is particularly apparent in newer firms or firms in emerging markets.

Firm category as a share of all



Source: ONS

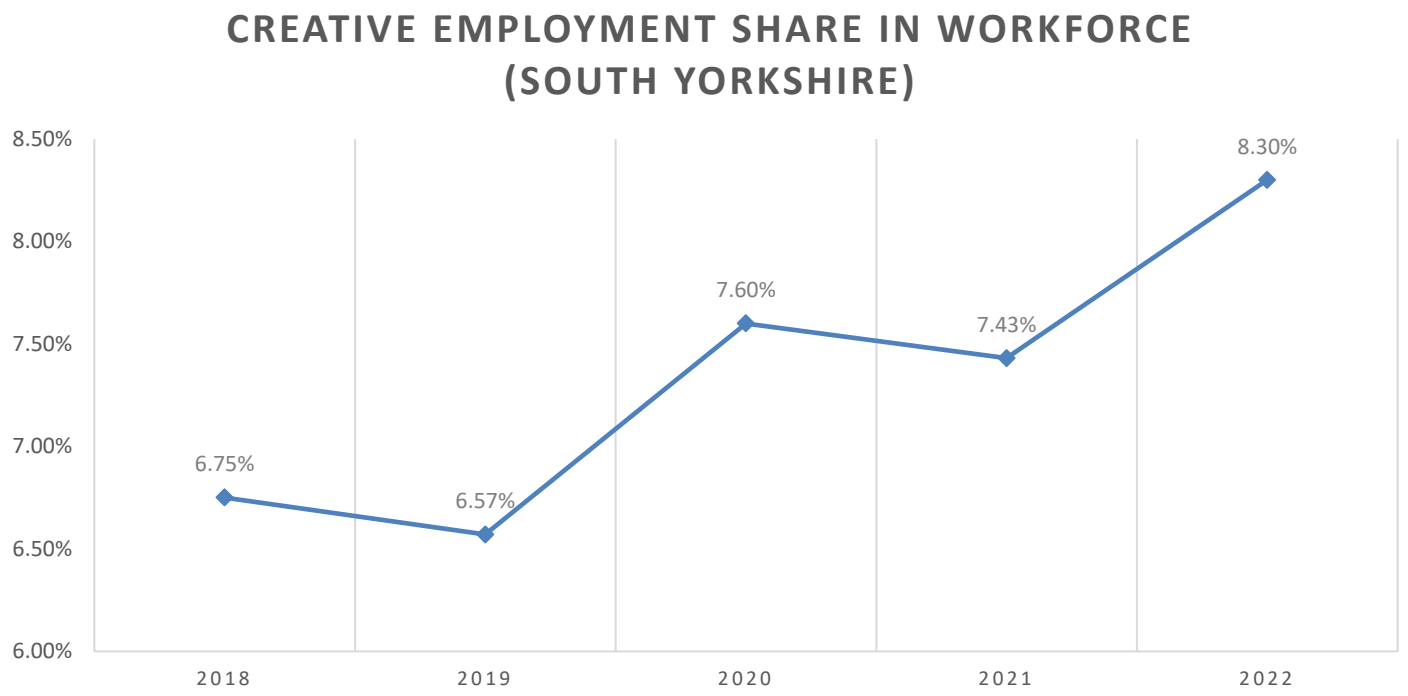
South Yorkshire's Creative Economy

The region contained 57,000 creative jobs both within and outside of creative industries in 2022, which roughly equates to 8.3% of the workforce.

Creative job roles in non-creative industries made up a significant 3.7% of all labour.

The largest proportion of creative occupations are in IT, software and computer services for South Yorkshire, which contributes around 30% of GVA generated by creative industries. This numbered 18,000 jobs in 2022 in all industries.

South Yorkshire Combined Authority	Number of jobs (thousands)				
Creative jobs	2018	2019	2020	2021	2022
Job and industry are both creative	13	16	16	16	14
Industry creative but job not creative	13	14	11	15	18
Job creative but industry not creative	19	15	24	20	25
Total creative employment	46	45	51	51	57
Industry and job not creative	629	639	616	635	629
All industries total	679	689	667	687	690



Rail Passenger Demand and Passenger Crowding

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Source: Department for Transport

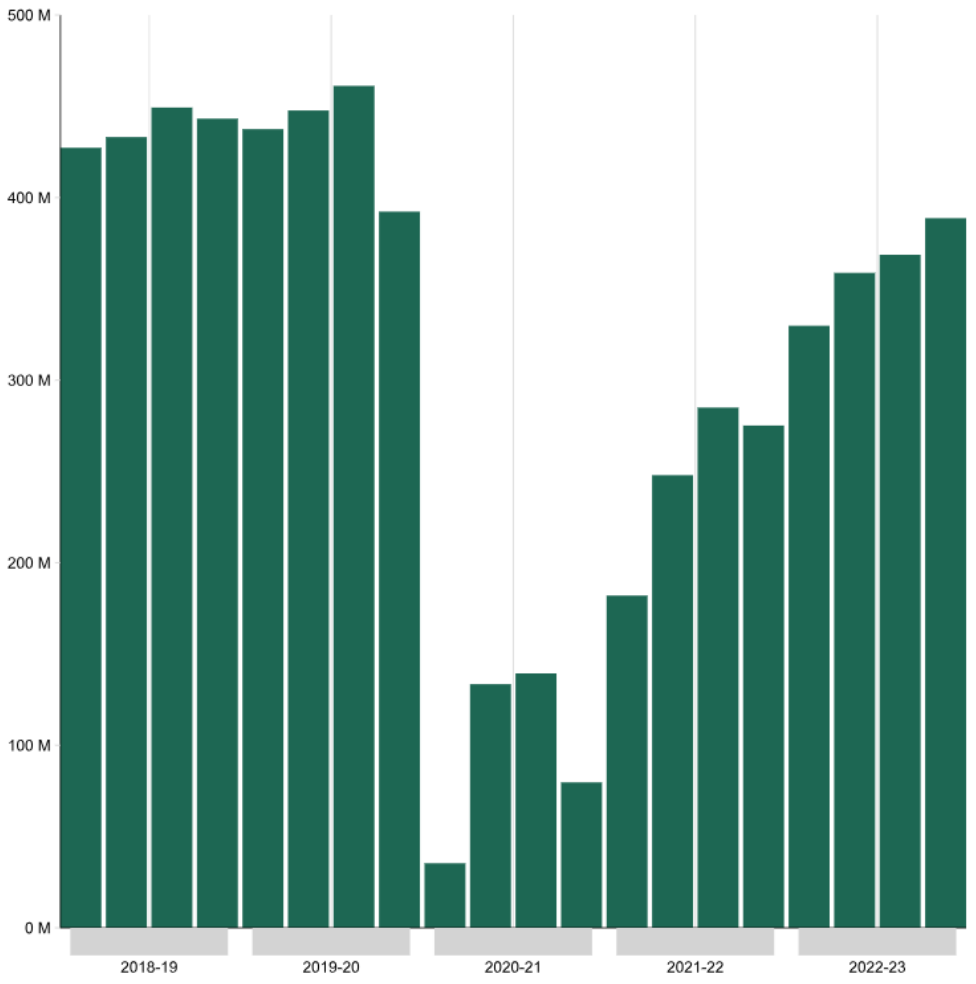
Headline Figures

A recent publication by the Department for Transport provides insights into the number of rail passengers travelling to and from city centres in England and Wales. The data particularly focuses on trends pre- and post-covid.

In autumn 2022, there were 1.57m daily passenger arrivals into major cities. This is an increase of 45% compared to autumn 2021, but 15% below the same period in autumn 2019. Of these daily arrivals in autumn 2022, 38% were in the morning peak (07:00 to 09:59).

These trends have shifted since the pandemic, with passengers travelling at different times of the day. In London, there was a 10% decrease in morning peak demand between 2019 and 2022 potentially due to a decrease in commuting trips. However, in other regional cities (including Sheffield) morning and afternoon demand fell.

Figure 3: Passenger journeys (millions): Great Britain, April 2018 to March 2023



Source: Department for Transport

Rail Demand in Major Cities and Seat Capacity

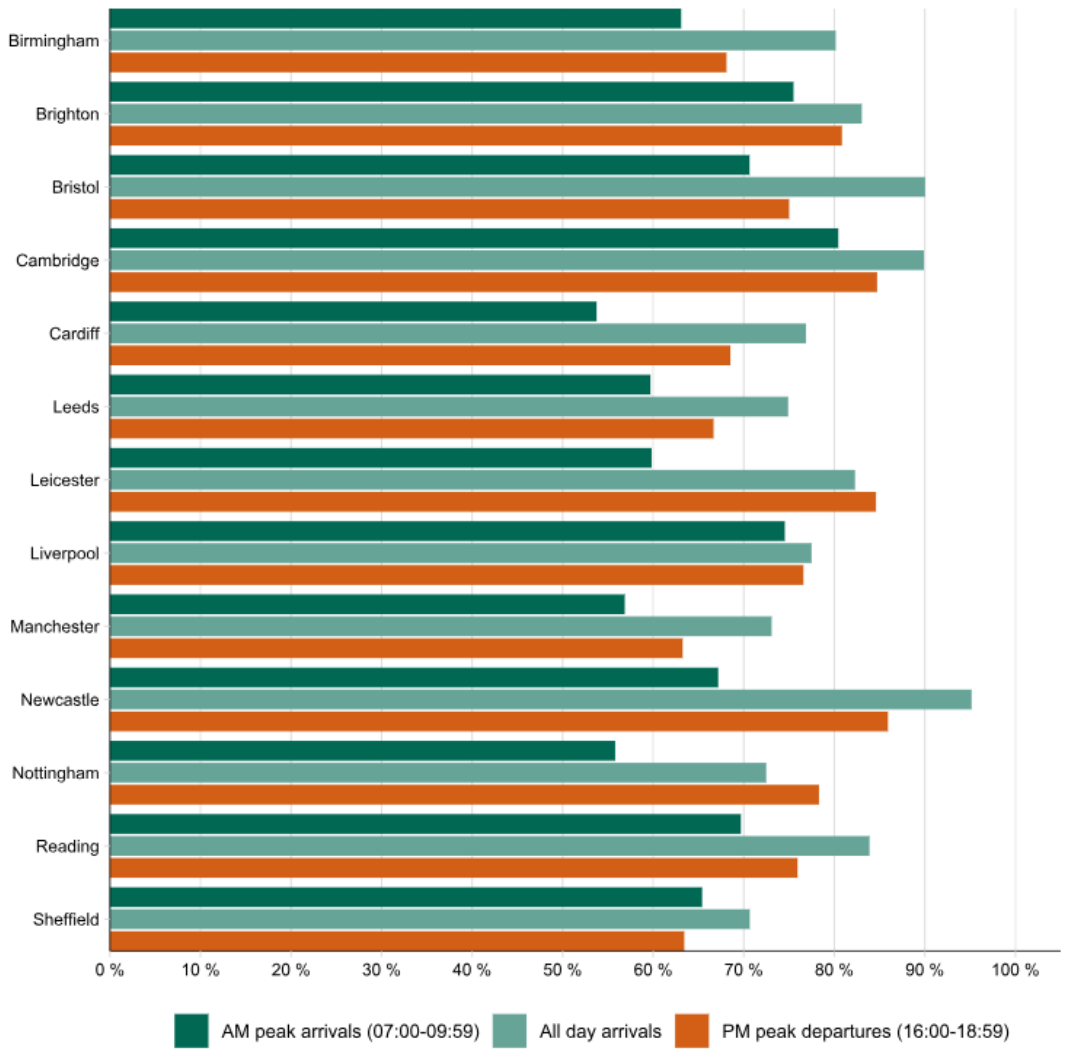
In autumn 2022, London remained the city with the most rail passengers (988,053 arrivals). Birmingham, had the second highest arrivals with 108,880, followed by Manchester (78,246).

Rail travel had not recovered to pre-COVID levels by autumn 2022. Arrivals outside London were 20% lower than autumn 2019. AM peak arrivals for these cities were 36% lower than 2019, and PM departures were 29% lower than 2019.

In terms of capacity, train operators ran services with a daily seating capacity of 4.25m which is 2% higher than in 2021 (4.17m), but 7% lower than 2019 (4.56m).

Total seat capacity per day covering all-day arrivals and departures totalled 8.48m in autumn 2022.

Figure 6: Comparison of Passenger Arrivals and Departures by City (outside London): Autumn 2022 as a percentage of (the pre-pandemic) Autumn 2019



Source: Department for Transport

Passenger Standing and Overcrowding

Across all cities in autumn 2022, 13.8% of passengers were standing during the AM and PM peak. This was a 9.1pp increase compared to autumn 2021, but 2.6pp less than autumn 2019.

The 2021 rise was predominantly driven by an 11.7pp increase in passengers standing in London. Major cities outside London overall had 2.5% passengers standing. This was a 1.2pp increase during peak hours on the previous year, but 7.6pp less than autumn 2019.

The level of overcrowding can also be calculated using the number of passengers in excess of capacity (PiXC). Using table 4, we see that PiXC was 0.6% across regional cities, with Sheffield seeing a fall in passenger pressure since 2019 and less passengers than capacity on average in 2022.

Table 4: PiXC across both peaks by city: Autumn 2022, with percentage point (pp) change against Autumn 2021 and Autumn 2019

City	Total PiXC 2022	Percent PiXC	Change from 2021 (pp)	Change from 2019 (pp)
Birmingham	400	0.6%	0.1 pp	-3.0 pp
Brighton	0	0.0%	-0.3 pp	-0.8 pp
Bristol	64	0.4%	-2.3 pp	-2.5 pp
Cambridge	0	0.0%	0.0 pp	-2.8 pp
Cardiff	704	3.4%	0.7 pp	-0.3 pp
Leeds	164	0.5%	0.4 pp	-1.4 pp
Leicester	0	0.0%	0.0 pp	-0.9 pp
Liverpool	0	0.0%	-0.1 pp	-0.3 pp
Manchester	91	0.2%	-0.1 pp	-1.8 pp
Newcastle	0	0.0%	0.0 pp	-0.1 pp
Nottingham	471	6.9%	6.9 pp	6.5 pp
Reading	7	0.0%	0.0 pp	0.0 pp
Sheffield	0	0.0%	0.0 pp	-0.7 pp
Regional City Total	1,901	0.6%	0.2 pp	-1.3 pp

Source: Department for Transport

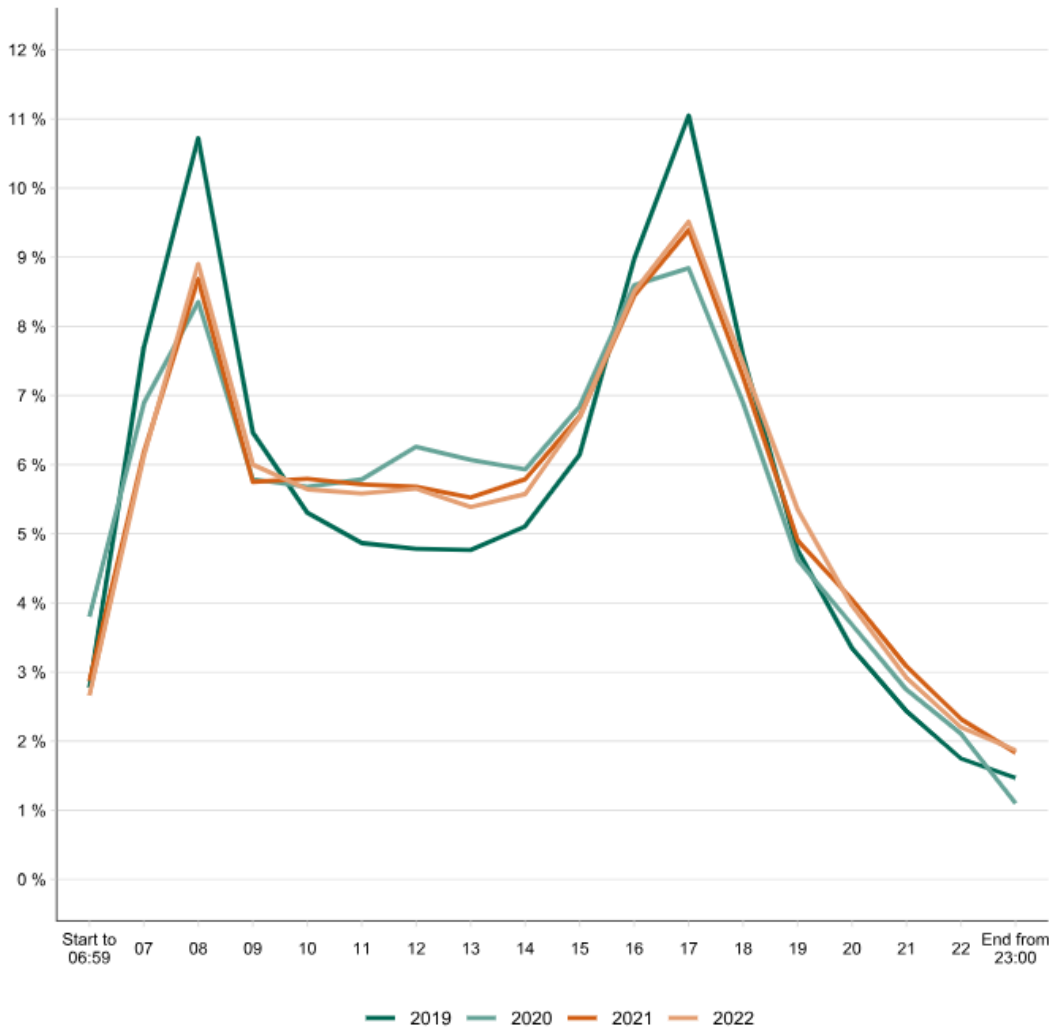
Daily Rail Journey Distribution

Pre-pandemic, the distribution of journeys in and out of London was defined by two peaks; a larger more pronounced one during AM peak hours and a slightly shorter and wider one in the evening. This pattern was affected during 2020 and 2021 as fewer commuters travelled in and out of London.

For regional major cities, the two-peak distribution is less pronounced than it was pre-COVID-19. In 2022, 25% of arrivals occurred in the 3-hour morning peak, the same proportion as the same period the previous year.

A larger proportion of passengers travelled in the evening peak (29%) in cities outside London than the morning peak, possibly due to a greater proportion of leisure journeys.

Figure 24: Percentage of Passenger Arrivals and Departures by Hour, Regional Major Cities: Autumn 2019, 2020, 2021 and 2022



Source: Office for Road and Rail

Stations in South Yorkshire

Data from the Office for Rail and Road provides more detail on the entry and exit of passengers in our four local authorities.* Headline counts across the four major regional stations in 2021-22:

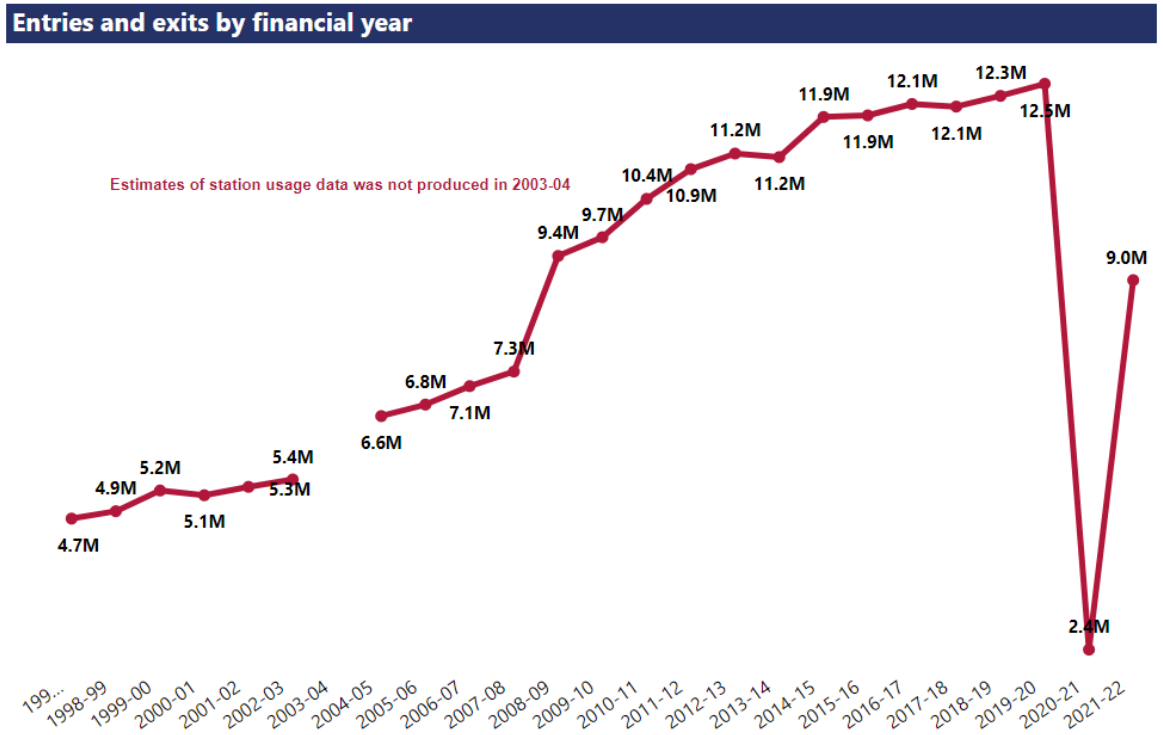
Barnsley = 516k Rotherham = 171k

Doncaster = 1.76m Sheffield = 3.6m

Sheffield saw a collapse in footfall in 2020-21 due to COVID-19, falling from 12.5m to 2.4m passengers per year. This did rebound to 9m in 2021-22, but is yet reached pre-pandemic levels.

The 6 busiest minor stations in South Yorkshire in 2021-2022 were Meadowhall (672k), Chapeltown (127k), Swinton (126k), Wombwell (80k), Dore and Totley (68k), and Mexborough (68k).

Data for Sheffield



The data contained in this dashboard can be found in Table 1410 and Table 1415.

Further detail on quality limitations, including the impact of methodology changes on station usage estimates can also be found in Table 1410 and in the quality & methodology report.

*Note that the ORR always make entries and exits equal, so the actual per head figure is half of that stated on their website.

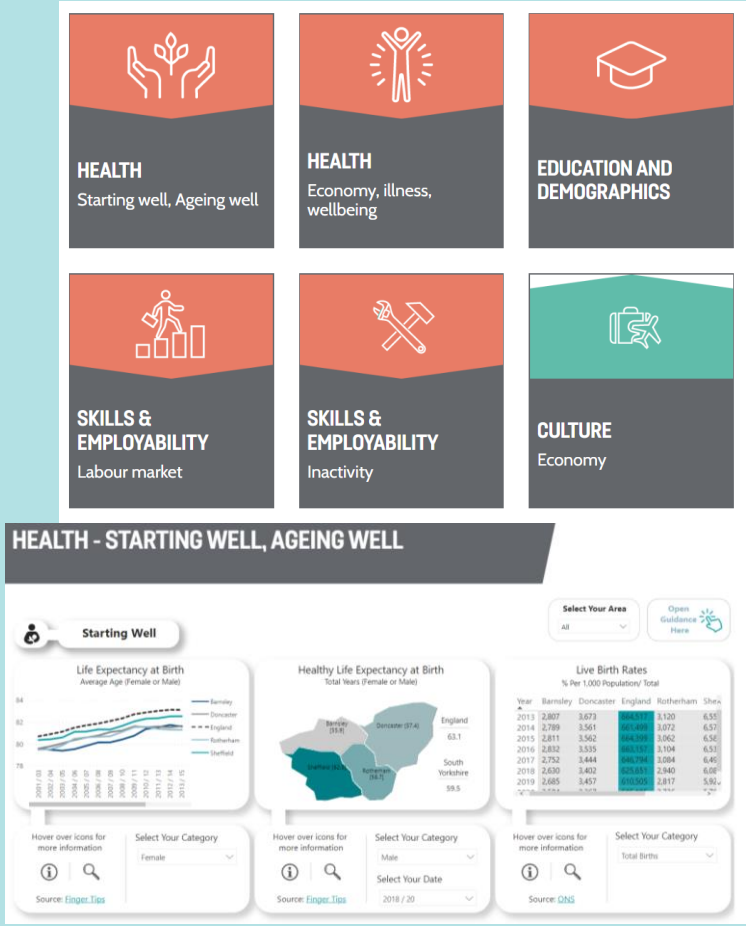
South Yorkshire Data & Intelligence Hub

Want to access data and trends relating to South Yorkshire?

Head to the South Yorkshire Data & Intelligence Hub, which provides a range of data useful for understanding the local economy, as well as social and environmental outcomes.

It also helps to understand relative performance and changes in data. See how it works on YouTube here.

Whether you're a resident, employer, academic, researcher or just interested in data, this can help you understand South Yorkshire's economy and develop evidence-based solutions.



Visit the dashboard now at https://southyorkshire-ca.gov.uk/Data-Intelligence-Hub

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