

**TONBRIDGE & MALLING BOROUGH COUNCIL**  
**ECONOMIC REGENERATION ADVISORY BOARD**

**23 June 2015**

**Report of the Chief Executive**

**Part 1- Public**

**Matters for Information**

**1 ECONOMIC OVERVIEW OF TONBRIDGE AND MALLING BOROUGH**

**This report sets out an economic overview of the borough in order to demonstrate recent trends and to provide the most up-to-date statistics on the current performance of the local economy.**

**1.1 Background**

1.1.1 From time to time, we report to the Board on the overall economic position of the Borough to keep Members informed of any emerging economic issues.

1.1.2 Over the past 15 years, Tonbridge and Malling has seen significant positive and negative changes – including the development of Kings Hill, the economic downturn in 2008 and the closure of Aylesford Newsprint. Despite these changes, the local economy continues to perform well overall within the county-wide and national context, although there are still inherent weaknesses – such as pockets of deprivation. The statistics provided in this report provide the most up-to-date statistics on the performance of the borough across a range of economic indicators.

**1.2 Economic Overview**

1.2.1 Appendix 1 provides a range of socio-economic statistics which provide an overall indication of the performance of the borough. The following is a brief analysis of these figures:

- **Economic Activity (2011):** The total number of people living in the borough aged 16-74 years is 86,435. Of these, just under 73% are economically active with the majority in full time employment. Of those that are economically inactive, over half are retired. Breaking this down into age groups, the largest number of economically active people are aged between 45 and 59 years of age. The number of economically active people drops off quickly after 60, although with recent changes in legislation, the contribution made by people aged 60 and over is no doubt increasing.

- **Employment Rate (2014):** whilst there is variation between males and females, as well as different age groups, over 81% of Tonbridge and Malling residents aged 16-64 years are in employment. This is much higher than the Kent average, which is around 74%.
- **Unemployment Rate (2014):** changes in the unemployment rate in Tonbridge and Malling have broadly mirrored figures for Kent and Great Britain over the period 2001-2014, with a clear increase in 2008/09, a plateau between 2009 and 2012, followed by a steep decrease as the economy started to recover in 2012/13. Unemployment in Tonbridge and Malling has consistently been lower than that for the county and the country as a whole, ranging from 0.9-2.2%, with Kent 1.6-3.2% and Great Britain 2.2-3.8%. In 2013, whilst over half of unemployed people in the borough were aged 25-49 years, a disproportionate number of under 25 year olds were unemployed, reflecting county and national trends.
- **Size of Firms (2014):** this data clearly shows that the economy of Tonbridge and Malling is predominantly made up of enterprises that employ 0-4 people (at 75.8% of all businesses in the borough). This is very similar to the situation for Kent and Great Britain. Conversely, fewer than 0.5% of all businesses in the borough employ over 250 staff, again broadly reflecting the countywide and national picture.
- **Employment by Industry (2011):** by far the biggest employer in the borough is wholesale and retail (including motor repairs), which accounts for around 16% of all jobs. Whilst high, the Employment Land Review has indicated that this sector is underrepresented in the Borough. This is followed by the care sector (around 10.5% of jobs); education (10.2%) and construction (9.5%). Significant contributions are also made by manufacturing (although this has decreased over a number of years); professional, scientific and technical services; and finance and insurance (which has grown hugely since the late 1990s as a result of the development of Kings Hill).
- **Employment by Occupation (2011):** this census data shows that a high proportion of people aged 16-74 years in the borough are in skilled employment, with 30% in management and profession occupations and a further 14% in associate professional and technical occupations.
- **Median Weekly Full Time Earnings – Workplace Based (2014):** these statistics illustrate that overall the median weekly full time earnings from jobs in Tonbridge and Malling (£529.20) is higher than for Kent (£489.70) and Great Britain (£520.20) as a whole; however there is quite a disparity between males and females in the borough.
- **Median Weekly Full Time Earnings – Resident Based (2014):** as with the workplace based statistics, residents in Tonbridge and Malling have a

higher earning power (£569.50) than is the case for Kent (£541.50) and Great Britain (£520.80) as a whole. Again, there is a considerable difference between males and females, not only in Tonbridge and Malling, but across the country.

- **VAT and/or PAYE based Enterprises (2014):** this shows the business make-up of the borough is diverse, with a strong representation from professional, scientific and technical businesses (995); construction businesses (735); information and communication businesses (430) and administration and support services businesses (400). Although there are 285 retail businesses in the borough, this equates to a much smaller percentage of all businesses compared to that for both Kent and Great Britain.
- **Business Survival Rates (2013):** the statistics indicate that on average in the first three years of its life, a business set up in Tonbridge and Malling has a lower chance of closing (22.4%) than on average for businesses in Kent (30.7%) and Great Britain (33.9%). If a business makes it successfully through its first three years, then the figures show that after five years the survival rates are also better for Tonbridge and Malling based businesses on average than for Kent and Great Britain.
- **Qualification Attainment (2011):** Whilst lower than the percentage for Kent as a whole, 20% of residents aged 16 years and above in the borough had no qualifications in 2011.

### 1.3 Comparison across West Kent

- 1.3.1 Although the information under section 1.2 provides some comparators with the picture across Kent and Great Britain, Table 1 also provides an overview of how Tonbridge and Malling Borough compares to Sevenoaks District and Tunbridge Wells Borough in order to provide an indication of how Tonbridge and Malling fares within the West Kent context.
- 1.3.2 One of the key findings from this overview comparison is that both the employment rate (% of 16-64 year olds in employment) and the unemployment rate (claimant count) in Tonbridge and Malling are higher than in the other two areas of West Kent.
- 1.3.3 Whilst businesses employing 0-4 employees make up a high percentage of Tonbridge and Malling enterprises, the figure is even higher for Sevenoaks District and Tunbridge Wells Borough.
- 1.3.4 The workplace based earnings are similar in all three areas of West Kent, however the resident based earnings are higher in Sevenoaks District and Tunbridge Wells Borough, suggesting that these two areas have a higher percentage of commuters into Central London.

- 1.3.5 Tonbridge and Malling Borough performs better than the other two areas of West Kent for the 3year business survival rates. Tonbridge and Malling also fares slightly better than Sevenoaks and Tunbridge Wells on the 5 year survival rates (46.2% survival compared to 45 and 45.2% respectively).
- 1.3.6 20% of people aged 16 years and over in the borough do not have any qualifications. This is slightly higher than in Sevenoaks District (19.2%) and higher than in Tunbridge Wells Borough (17.1%).

<b>Indicator</b>	<b>Tonbridge and Malling Borough</b>	<b>Sevenoaks District</b>	<b>Tunbridge Wells Borough</b>
% Economically Active Population (aged 16-74) (2011)	72.9%	71.5%	73.1%
Employment Rate (2014)	81.2%	72.5%	72.6%
Unemployment Rate (2014)	1.2%	1.1%	0.9%
% firms employing 0-4 people (2014)	75.8%	78.7%	78.0%
Median Weekly Full Time Earnings (Workplace Based) (2014)	£529.20	£535.80	£520.50
Median Weekly Full Time Earnings (Resident Based) (2014)	£569.50	£628.10	£646.40
3 Year Business Survival Rates (2013)	77.6%	64.7%	74.8%
% of people aged 16 years and above with with no qualifications (2011)	20%	19.2%	17.1%

**Table 1: Economic Performance of West Kent Boroughs and District**

## **1.4 Legal Implications**

1.4.1 There are no legal implications arising from this report.

## **1.5 Financial and Value for Money Considerations**

1.5.1 There are no financial and value for money considerations arising from this report.

## **1.6 Risk Assessment**

1.6.1 Not applicable.

## **1.7 Equality Impact Assessment**

1.7.1 The decisions recommended through this paper have a remote or low relevance to the substance of the Equality Act. There is no perceived impact on end users.

Background papers:

Appendix 1: Economic Overview – Tonbridge and Malling

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