



State of the Region

Key findings from an analytical report of the
South East economy, produced by SELEP

July 2023



SOUTH EAST
LOCAL ENTERPRISE
PARTNERSHIP

ECONOMIC OVERVIEW

BUSINESS

178,305
BUSINESSES AS
OF MARCH 2022



0.2%
GROWTH
FROM 2021



61.5%
THREE-YEAR SURVIVAL
RATE (ENGLAND: 57.5%)

22,090

NEW BUSINESSES
IN 2021



20,905
BUSINESSES
CLOSED IN 2021

321,700

SELF-EMPLOYED



13.0%

OF
POPULATION
AGED 16-64
(UK: 11.1%)

EMPLOYMENT

79.9%

POPULATION
AGED 16-64
ECONOMICALLY
ACTIVE
(UK: 78.7%)



3.0%

UNEMPLOYMENT
AS % OF
ECONOMICALLY
ACTIVE
POPULATION
(SEPT 2022)
(UK: 3.7%)

3.2%

CLAIMANT
RATE AS % OF
POPULATION
AGED 16-64
(DEC 2022)
(UK: 3.8%)



77

JOBS PER 100 RESIDENTS
AGED 16-64 (ENGLAND: 87)

43.7%

OF JOBS IN
KNOWLEDGE INTENSIVE
SECTORS (ENGLAND: 49.8%)

30.2%

OF JOBS IN
LOW PAY SECTORS
(ENGLAND: 26.7%)

ECONOMY



£101.6bn

GVA (2021)

5.0%

GVA SHARE OF UK



PLACE

4.268 million

usual resident population (2021)
6.4% share of UK's population

7% ten-year growth (compared to UK's 5.9%)

9 universities



13 Further Education colleges

8 ports **2** Freeports
Thames Freeport
and Freeport East

2 London airports
Southend
and Stansted

3 county
councils

3 unitary
authorities

15 district councils

11 borough
councils

3 city councils



365 miles of coastline
across the region

15 coastal districts

SKILLS



Apprenticeship starts:

Academic year 2021/22: 24,590

Academic year 2020/21: 22,480

Academic year 2019/20: 21,940

SELEP

England

Level 4 qualification
and above:
29.1%

Level 2 qualification
and above:
67.4%

No qualifications:
18.5%



Level 4 qualification
and above:
33.9%

Level 2 qualification
and above:
69.4%

No qualifications:
18.1%

Purpose of the report

This report has been produced by the **South East Local Enterprise Partnership (SELEP)** secretariat to provide a review of SELEP's current economic performance and how it has been impacted in recent years. It considers **over 40 indicators** covering **place, economy, employment, skills and sectors** and is intended to provide an **evidence-based** approach to **strategic economic growth**, supporting the LEP and its partners in **economic planning, strategy and business case developments**.

The report provides findings at a **LEP, federated area and local authority level** as appropriate. However further breakdowns of the data, where available, will also be shared with partners on the [SELEP Data and Intelligence Centre](#).

Key Findings

Place

The usual resident population of SELEP was 4.268 million in 2021, which was 6.4% of the total UK population, making SELEP the **largest** LEP outside London in terms of population size, and **larger** in population than Wales.

The population of SELEP **grew** by 7% in the 10 years to 2021, **faster** than the UK average of 5.9%. This rate of growth meant an **additional** 280,400 people are now living in the SELEP area compared to 2011.

In March 2022, the housing stock for SELEP was 1.89 million dwellings. Dwelling stock **increased** by 8.4% in the most recent ten-year period, **slightly below** the England average growth of 8.6%. This growth represented **146,200 net new dwellings** for SELEP. In 2022/23, SELEP remained as the **most productive** LEP for housing delivery outside of London, with **4,170 more** new dwellings completions than **South East Midlands**, the next largest provider.

The SELEP region produced **3.8 tonnes** carbon dioxide equivalent emissions per capita, which is **less** than the UK average of 4.6.



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Economy

In 2021, SELEP GVA was estimated to be £101.6 billion at current prices for the year, a 5% share of the UK total. In real terms this represents a **loss** of £3.2 billion or 3.2% from 2019, reflecting the significant economic impact of COVID-19, however it was a **smaller** impact than for the UK as a whole (3.6% real term reduction) suggesting that the SELEP economy is relatively resilient.

There were 192,710 active enterprises based in SELEP during 2021, which was 749 per 10,000 working age population, **above** the national average of 736. However, since mid-2021 a trend of net business **losses** each quarter has set in across the UK, as well as in SELEP and all Federated Areas within.

Businesses based in the SELEP area exported goods to the value of £9.6 billion in 2021, of which £4.9 billion (51%) was to the EU. The exports of goods from SELEP accounted for 3.1% of total UK exports in goods in 2021.

Employment

In 2021 there were an estimated 1,652,000 employee jobs across SELEP in 2021, with a 3.5% **growth** in employee numbers over the previous five years, representing 56,000 **more** jobs and showing a **strong recovery** following the **sharp decline** in 2020 due to the pandemic. However, SELEP **continues** to have **fewer** jobs in **higher paid** and **knowledge intensive sectors**.

The percentage of economically active population who were **unemployed** was 3.0% for SELEP compared to 3.7% for England. Unemployment rates for SELEP have been **persistently below** the England average for many years. As with unemployment, the claimant rate for SELEP is **lower** than the national rate (SELEP 3.2%; National 3.8%, December 2022) and is **lower** than the national average in all Federated Areas.

The number of online job postings reached a **record high** in the first quarter of 2022, and while having since **reduced**, remains **significantly above** pre-pandemic levels. In the last quarter of 2022, there were 103,870 **new** job postings across the SELEP area, which was 40 per 1,000 working age population. With **lower** job density in SELEP than nationally in 2021 (SELEP 77 jobs per 100 working age residents; National 87), the number of job postings is also **below** the national average, which was for 55 postings per 1,000 working age population.



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Skills

The proportion of people **qualified to Level 4 or Higher** is **4.8% lower** in SELEP than **nationally** (SELEP 29.1%; England 33.9%). The proportion of people with **no qualifications** is **0.4% higher** in SELEP than **nationally** (SELEP 18.5%; England 18.1%).

Total apprenticeship starts in the SELEP region **increased** to **24,590** in 2021/22 compared to **22,480** in 2020/21. Despite the increase, numbers remain **below** the pre-pandemic amount of **26,600** in 2018/19. **Total apprenticeship achievements** in the SELEP region **fell** from **10,670** in 2020/21 to just **9,290** and remain **way below** the **12,460** achievements in 2018/19.

The national **Average Point Score (APS) per A level entry** **fell** in 2021/22 to **38.9** (from **41.7** in 2020/21). This pattern **also** occurred across the SELEP region with the APS **falling** from **40.5** in 2020/21 to **37.4** in 2021/22, as Ofqual stated that 2021/22 was to be a **transitional year** with the aim of having results lie in between those of 2020/21 (**Teacher Assessed Grades**) and 2018/19 (**still Centre Assessed Grades**).

Sectors

Over the last five years SELEP has seen **strong** growth in sectors such as **Manufacture of clothing, Textiles and leather products, Manufacture of beverages, Warehousing and support for activities for transportation, Film and TV production, Specialised Construction activities, Civil engineering, Manufacture of beverages, Film and TV production and Warehousing**.

SELEP has had **lower** growth than national for other sectors where there has been strong national growth, including **Information service activities, Legal and accounting activities, Construction of buildings and Activities auxiliary to financial services**.

The report also explores in more detail new and emerging sectors and their presence across SELEP, focusing on **Life Sciences, Net Zero, Digital Creative Industries, Advanced Manufacturing, Supply Chain Logistics, Food Tech, Modular Construction, and AgriTech**. Analysis includes **Business Counts, Employee Counts, Turnover, Investment Funding, Innovate UK Funding and SIC classification (2 levels)**. As an example, analysis found that **Supply Chain Logistics** saw **£10 billion** of investment funding in 2022 **alone**, compared to **£3.5 billion** of investment funding in the previous 20 years **combined**.