

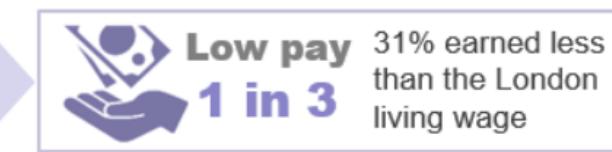
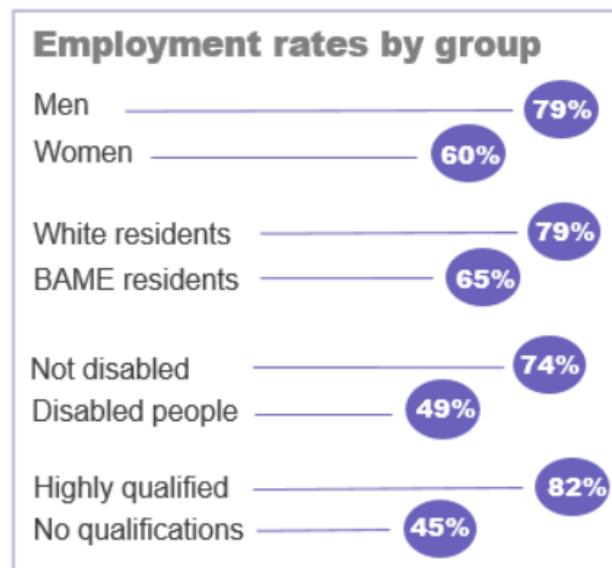
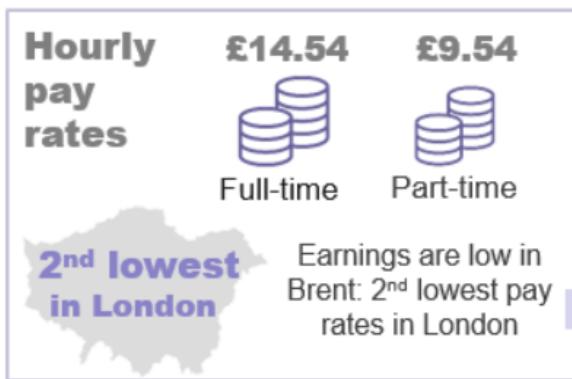
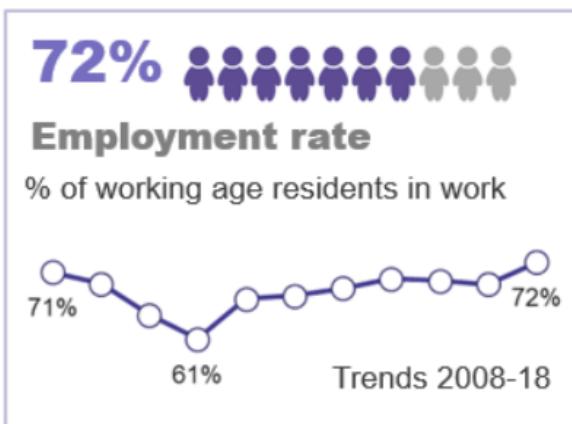
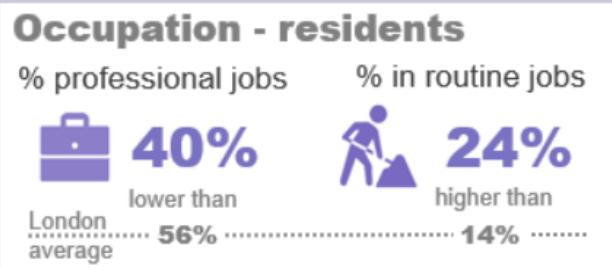
Brent JSNA
2019-20

Economy and Employment



NHS
Brent
Clinical Commissioning Group

Economy and employment | Brent overview



Sources: 1. ONS, UK business counts (2018); 2. ONS, Business Register and Employment Survey (2017); 3. ONS, Regional GVA data (2017); 4. ONS, Annual Population Survey: Employment rate (2010-18); Employment rates by group and occupation data (2016-18 averages); 5. ONS, Modelled unemployment rates; 6. ONS Annual Survey of Hours and Earnings data (2018) - residents data.
Notes: All percentages have been rounded to nearest percentage point. Employment rate data relate residents aged 16-64.

Economy and employment | Key Findings

- In 2018, there were around 15,030 businesses based in Brent – a rise of 47% since 2010. Businesses in Brent produce around £9bn per year in economic output ('gross value added').
 - The majority of businesses (92%) are 'micro' businesses that employ less than ten people. Levels of self-employment are high in Brent: 23% of workers are self-employed.
 - Business growth is beginning to slow: during 2016-17, the number of new businesses formed in Brent fell while the number of closures increased – this mirrors national trends.
 - In 2018, 72% of the working age population were in employment. Brent's employment rate has been rising since 2011, though it remains slightly below the London average (74%). The employment rate has been rising across all age groups, but older workers have seen the biggest rise – 73% of those aged 50-64, and 16% of the over 65s, are now in employment.
 - Well qualified residents are twice as likely as those with no qualifications to be in work. The percentage of highly qualified residents has been rising but remains below the London average (42% vs. 52%).
 - Certain groups face significant disadvantage in the labour market. Disabled people, Black, Asian and Minority Ethnic residents, and women, all have employment rates well below the average.
 - Brent residents are less likely than other Londoners to work in professional occupations (40% vs. 56%), and more likely to work in elementary and routine jobs (24% vs. 14%).
 - Brent workers are relatively low paid: almost one third of residents (31%) earned less than the London Living Wage – the second highest percentage in London, after Newham. Rates of pay are lowest among those working part-time who earn an average of £9.54 an hour - £5 less than full-time workers (£14.54). One in three women workers are employed part-time.
 - Since the last recession, unemployment levels have fallen both locally and nationally. In Brent, the unemployment rate halved between 2011 and 2018 from 11% to 5%. While residents have been moving into work, many still require in-work welfare support. The number of people in work who receive Housing Benefit has more than doubled since 2009.
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Businesses in Brent

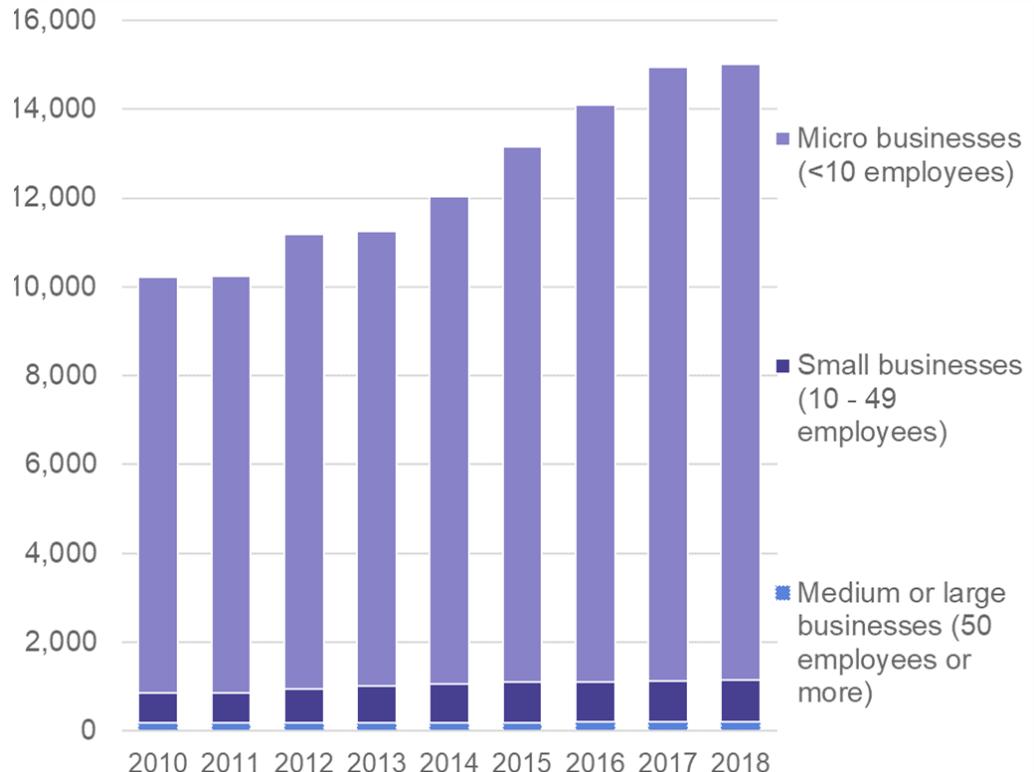
- In 2018, there were 15,030 businesses based in Brent. Business growth has been strong in recent years: the number of businesses increased from 10,220 in 2010 up to 15,030 in 2018 – a rise of 47%, similar to the rise across London (53%).
- The majority of business are ‘micro’ businesses (who employ less than ten people) – these account for 92% of all businesses in Brent (2018).
- In 2017, Brent businesses produced £9bn in economic output - or ‘Gross Value Added’ - which is the value of goods and services produced in an area. On this measure, Brent is ranked:
 - in the highest 10% of areas nationally (35th highest out of 391 areas in the UK).
 - 15th highest in London (out of 33 areas)
 - 5th highest in Outer London (out of 19 areas).

Gross Value Added - Brent (2017)

Value of goods and services produced by Brent businesses in 2017

£9 billion 

Number of businesses in Brent by employment size, 2010-2018



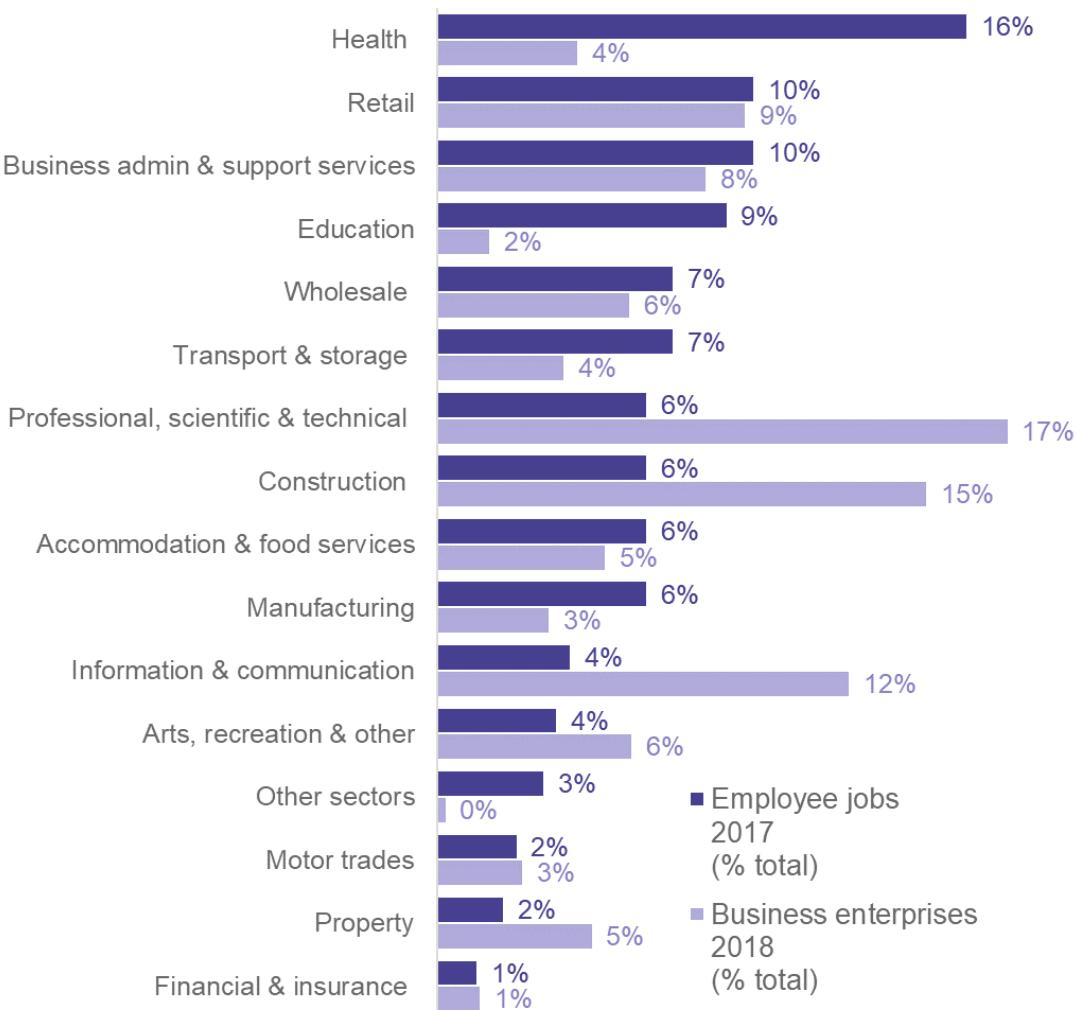
Source: 1. ONS, Regional GVA data 2017 - [Regional economic activity by gross value added](#)
2. ONS, UK Business counts (enterprises, 2010-18). Data available on the [NOMIS](#) website

Industry sectors

- Of the borough's 15,030 businesses, almost half are concentrated in three sectors:
 - professional, scientific & technical (17%)
 - construction (15%)
 - information & communication sector (12%)
- However, most businesses in these sectors are relatively small - employing fewer than five people. So when considered together, these sectors provide just 17% of the jobs in Brent.
- In terms of employment, the largest industry sectors are:
 - health (providing 20,000 jobs)
 - retail (12,000 jobs)
 - business administration & support (12,000 jobs)
 - education (11,000 jobs).

Together, these sectors make up 23% of businesses in the borough but provide 44% of the jobs.

Jobs and businesses by industry sector, Brent (2017/18)

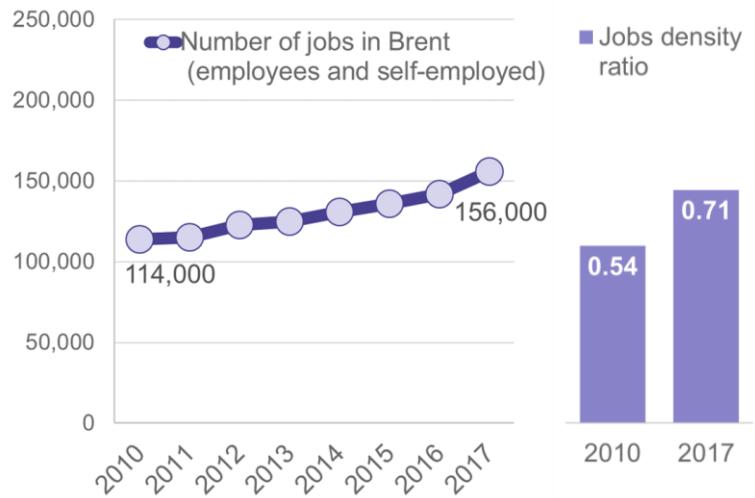


Note: Other sectors = Agriculture, forestry & fishing; Mining, quarrying & utilities, Public admin. & defence

Jobs by industry

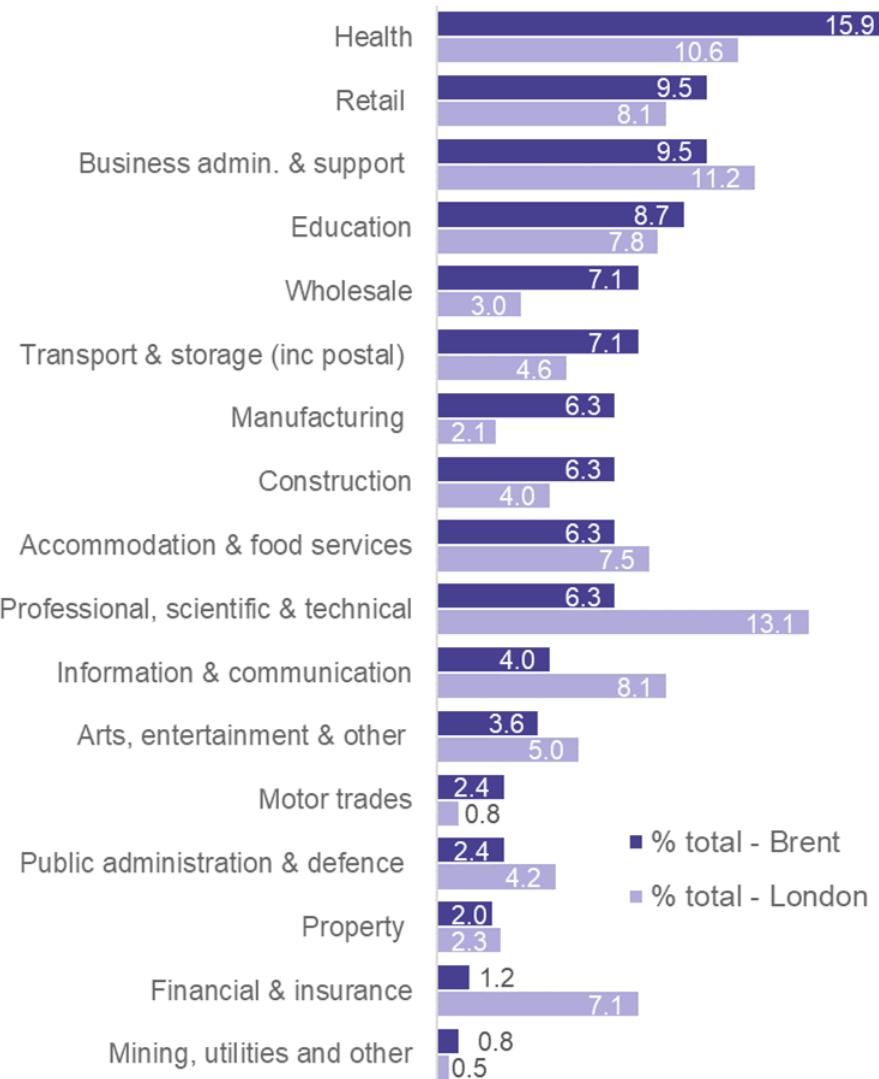
- Brent businesses provided 126,000 employee jobs in 2017. Compared with London, Brent has fewer jobs in the professional, finance and information sectors and more jobs in the health, wholesale, manufacturing, construction and transport sectors.
- In total, including self-employment jobs, there are around 156,000 jobs in Brent. This is equivalent to a 'jobs density' ratio of 0.71 local jobs per working age resident, close to the average for Outer London (0.69).
- The number of jobs in Brent has risen by 37% between 2010 and 2017, and the jobs density ratio has increased from 0.54 to 0.71 over the same period.

Jobs in Brent, 2010-17



Sources: 1. ONS, Business Register and Employment Survey (open access). Data available on the [NOMIS](#) website
2. ONS, Jobs Density series (Jobs density = ratio of jobs to population aged 16-64). Data available on the [NOMIS](#) website

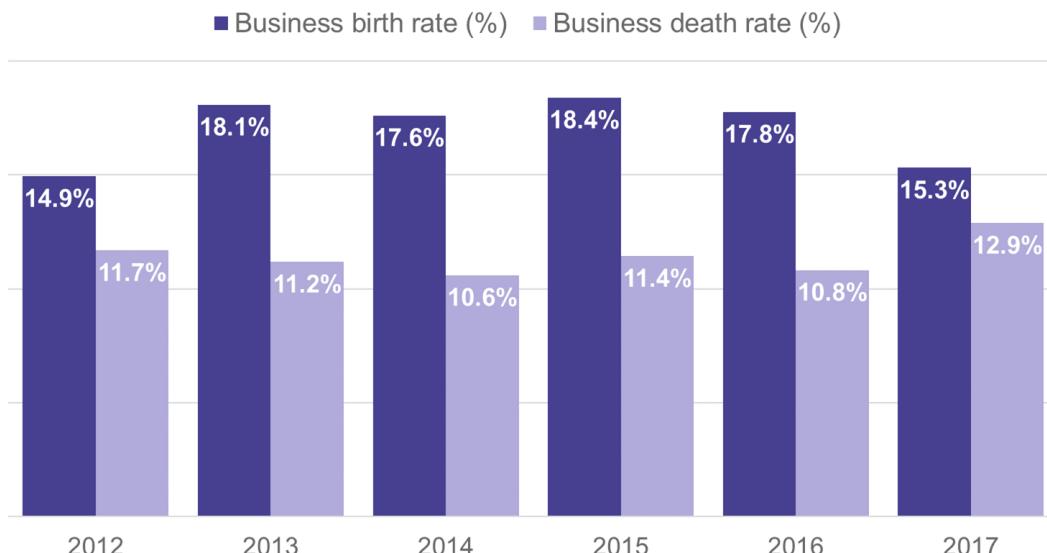
Employee Jobs by industry sector, Brent & London, 2017 (% total)



Business performance

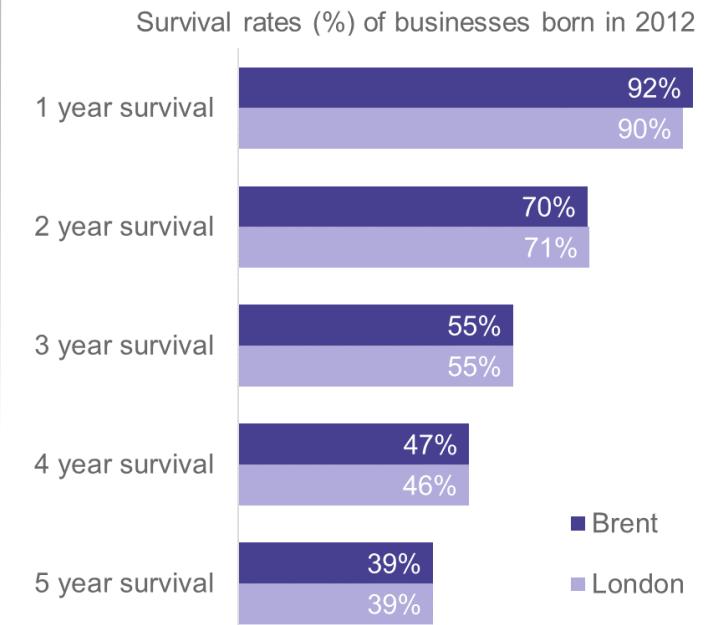
- The latest data suggest business growth in Brent is beginning to slow. In previous years, the number of new businesses starting up in Brent ('births') significantly outstripped the number of business closures ('deaths'), but in 2017, the gap between the two narrowed considerably. This reflects a fall in the number of new start ups and a rise in business closures – there have been similar trends regionally and nationally.
- Business survival rates in Brent are similar to those across London. Of those businesses born in 2012, 92% survived one year, while just 39% were still in business 5 years later.

Business births and deaths in Brent, 2012-17



Note: Rates express the number of business births and deaths as a percentage of the number of active businesses in that year (those with turnover and/or employees during that year).

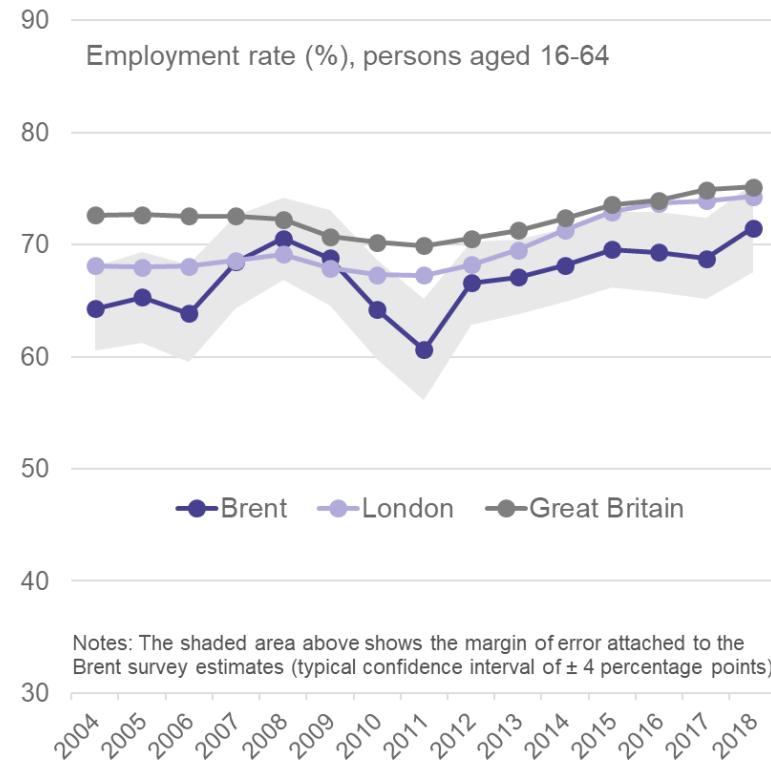
Business survival rates, Brent, 2012-17



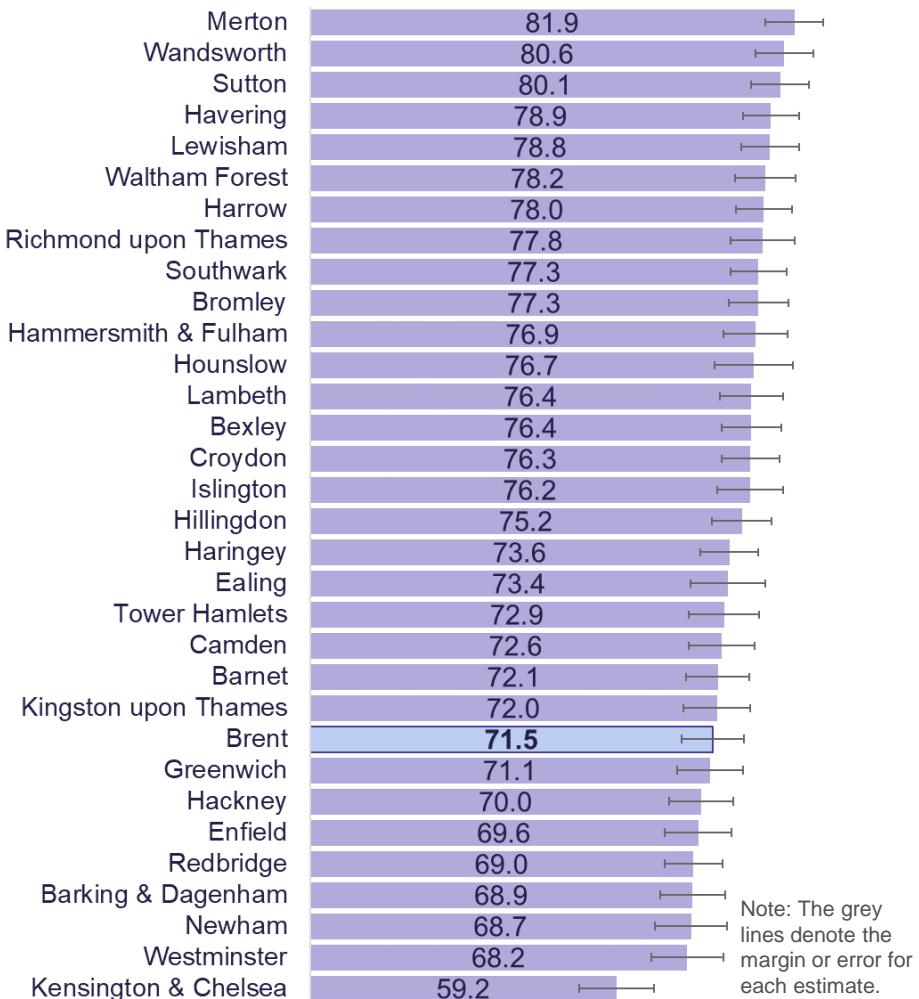
Employment rate trends

Around 72% of the working age population in Brent are in employment. The employment rate has been rising since 2011 when it hit a low of 61%. The employment rate in Brent remains below both the regional and national averages (74% and 75%).

Trends in the employment rate, 2004-2018



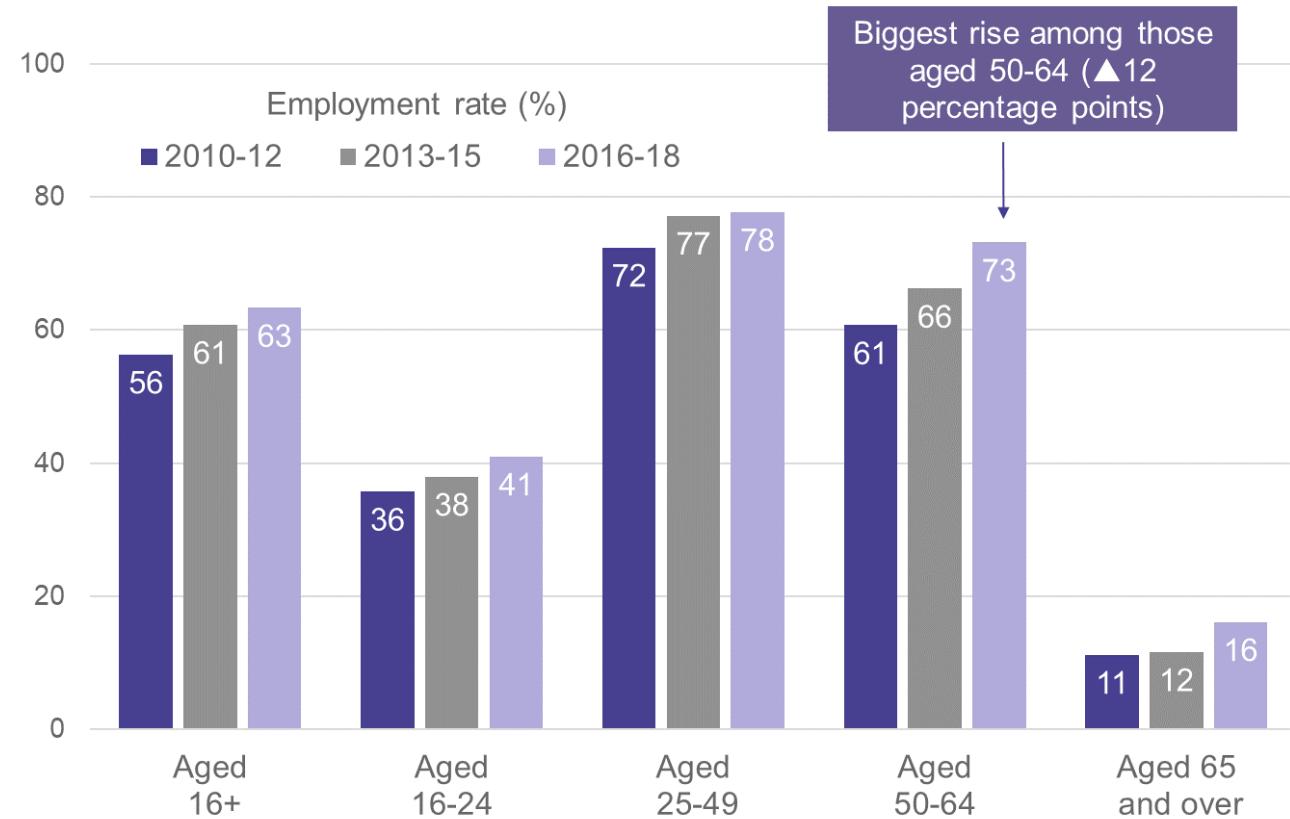
Employment rate, London Boroughs, 2018



Employment rate trends by age

- The employment rate has been rising across all age groups, but older workers have seen the biggest rises.
- During 2016-18, almost three quarters (73%) of those aged 50-64 were in work – up from just 61% in 2010-12 – a rise of 12 percentage points.
- The employment rate has also been rising for those aged 65 and over: around one in six residents in this age group are now in work (16%).

Trends in the employment rate by age, Brent, 2010-2018

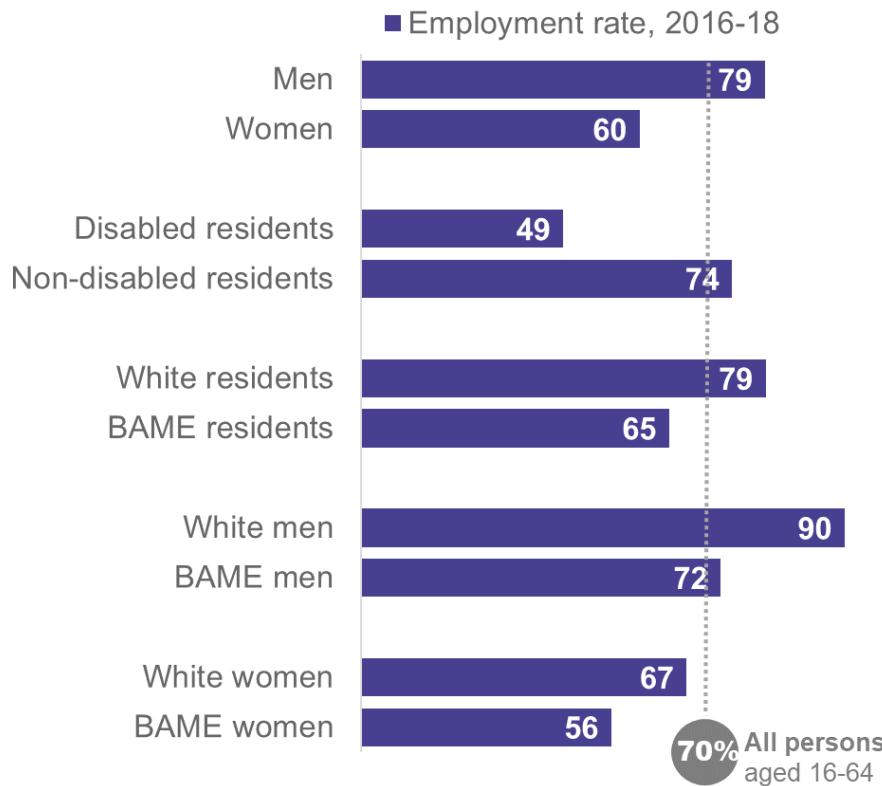


Employment rates by population group

While the borough's employment rate has been rising in recent years, some groups continue to face relatively high rates of worklessness. During 2016-18,

- Just half of the disabled population in Brent (working age) were in work compared with three quarters of the non-disabled population (49% vs. 74%)
- Residents from Black, Asian and Minority ethnic (BAME) groups had lower employment rates than White residents (65% vs. 79%).
- Women had lower employment rates than men (79% and 60%) and rates continue to be relatively low for BAME women (56%).

Employment rates by population group, Brent, 2016-18 (persons aged 16-64)

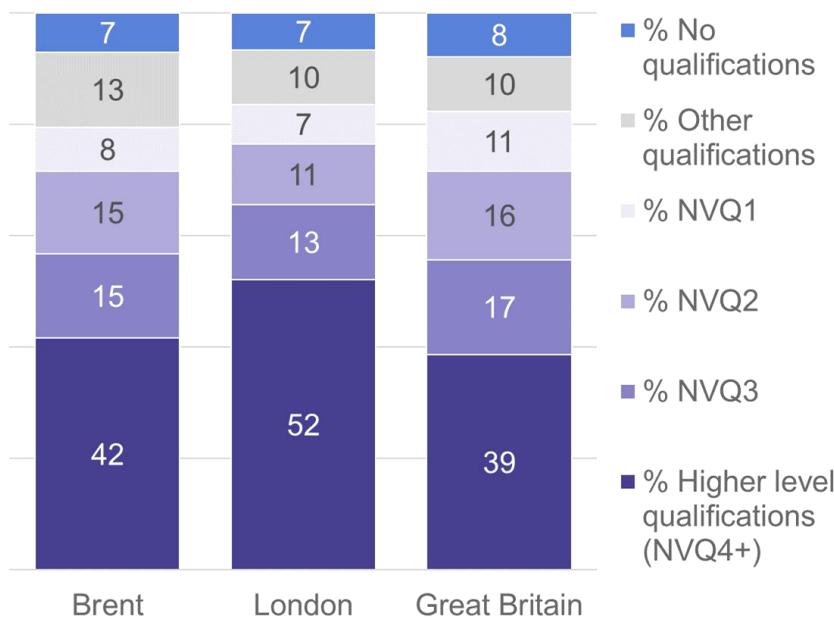


Notes: BAME = Black, Asian and minority ethnic; Disabled people are defined as those having either a work-limiting disability and/or a disability in accordance with the Equality Act Definition. All rates relate to the age group 16-64.

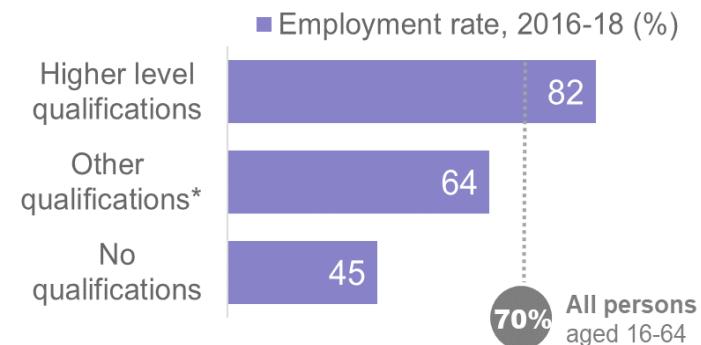
Qualifications and employment

- During 2016-18, 42% of the Brent working age population held higher level qualifications – lower than the proportion in London (52%) though slightly higher than the national average (39%).
- In line with national trends, Brent residents have been becoming more qualified over time: the proportion of residents with higher level qualifications has risen from 27% to 42% between 2004/06 to 2016/18.
- Residents with higher level qualifications were almost twice as likely to be in work than those with no qualifications (82% vs. 45%).

Highest qualification level held, persons aged 16-64, 2016-18



Employment rates by qualifications level, persons aged 16-64, Brent, 2016-18

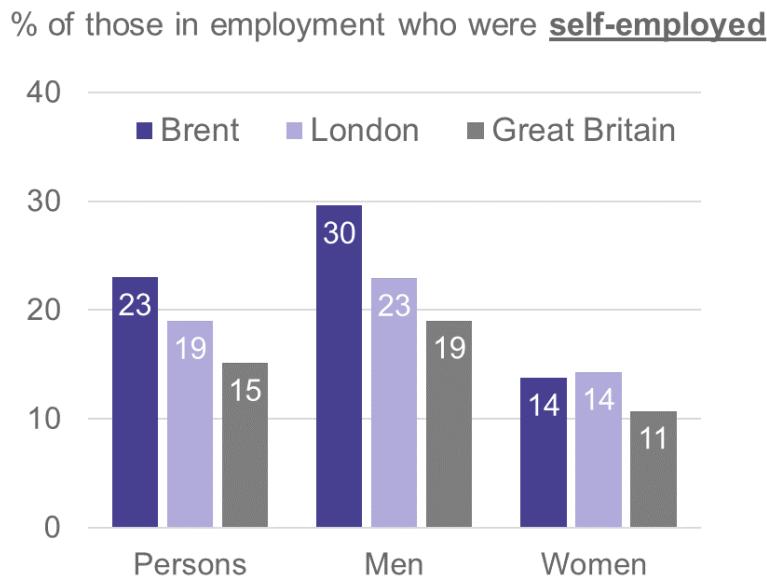


* Other qualifications includes: NVQ level 1 to 3 (and equivalent); and 'other' qualifications (which includes foreign and some professional qualifications)

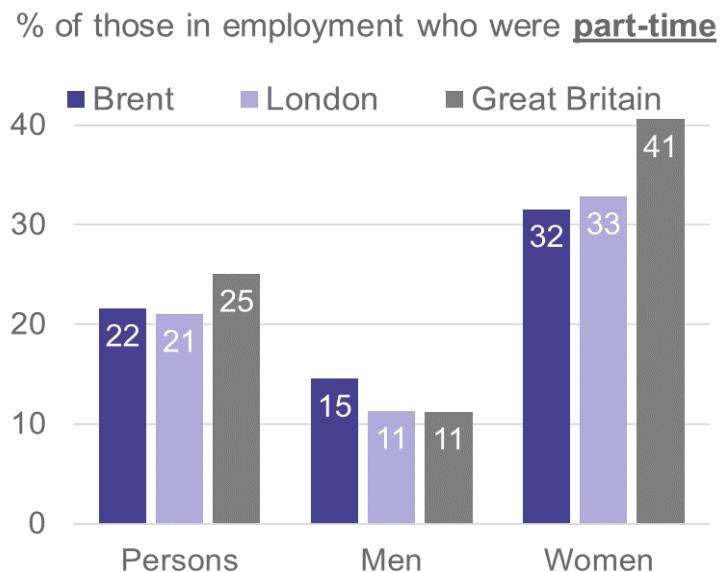
Patterns of employment – Brent residents

- Brent residents are more likely than average to work on a self-employed basis: during 2016-18, of those in employment, almost one quarter were self-employed (23%) – higher than the London and national averages (19% and 15%). Men were twice as likely as women to be self-employed.
- In contrast, women were twice as likely as men to work on a part-time basis (32% vs. 15%) – though male workers in Brent were more likely to work on a part-time basis compared with their counterparts in London or Great Britain (15% vs.11%).

Self-employment, Brent, London and Great Britain, 2016-18



Part-time employment, Brent, London and Great Britain, 2016-18

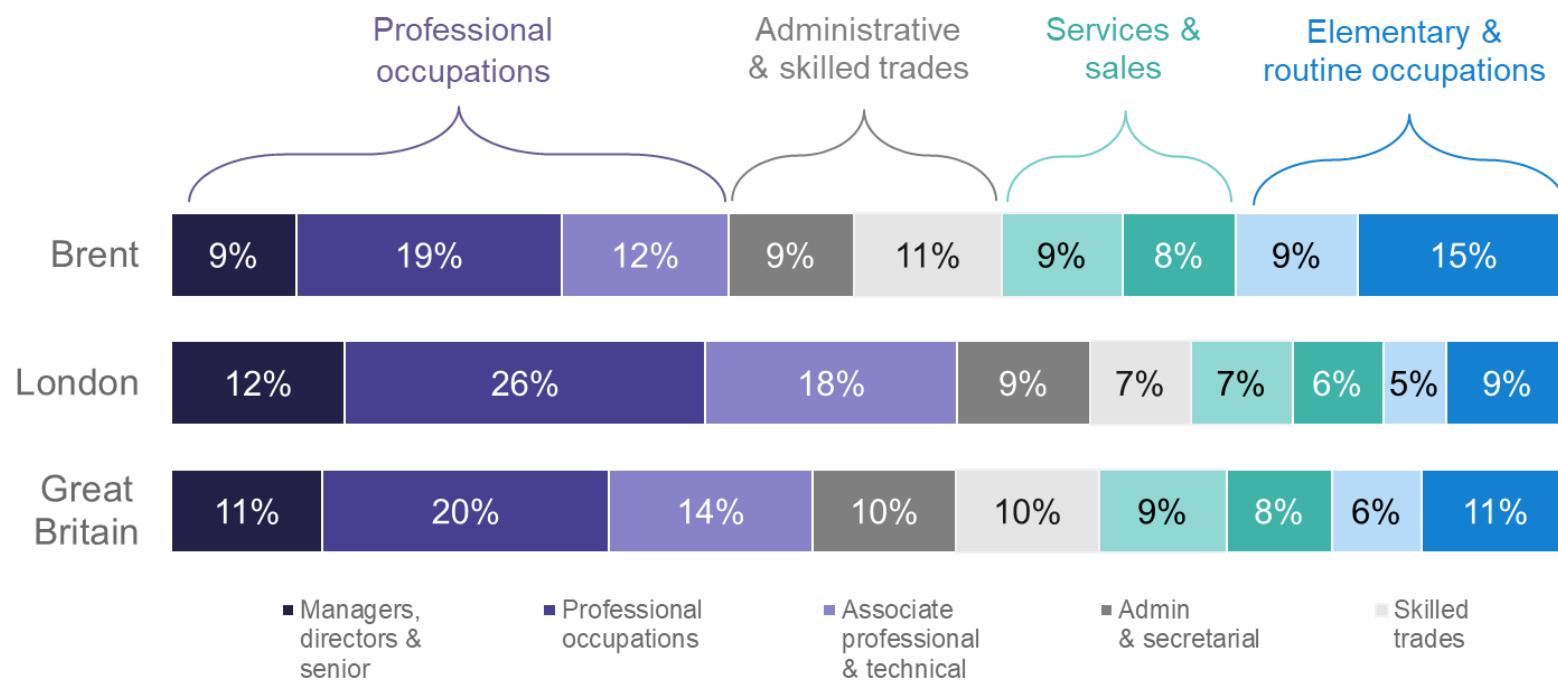


Notes: Data on self employment relate to all residents in employment aged 16 and over; part-time data relate to employed residents aged 16-64.

Employment by occupation – residents in work

Brent residents are less likely than other Londoners to work in professional and management occupations (40% vs. 56%). Conversely, they are more likely to work than in elementary and routine occupations (24% vs. 14%) compared with the London average. The occupational profile of Brent residents is more similar to the national than regional profile.

Employment by major occupational group, Brent, 2016-18



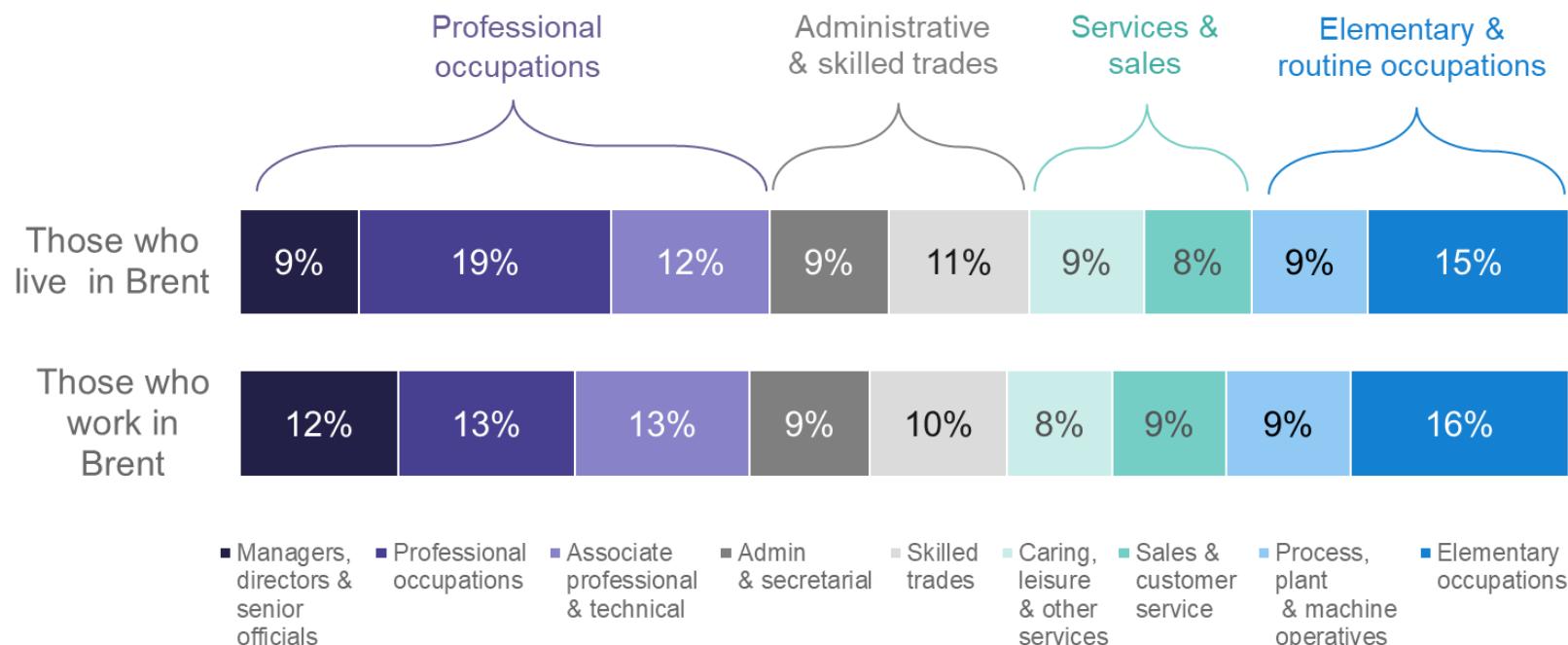
2010 Standard Occupational Classification

Source: ONS, Annual Population Survey (2016-18 three year average). Data available on the [NOMIS](#) website.

Employment by occupation – residents vs. workers

The occupational profile of workers who live in Brent and those who work in Brent is broadly similar – though residents are a bit more likely to be employed in professional occupations than those who work in Brent (19% vs. 13%).

Employment by major occupational group, Brent, workers and residents, 2016-18

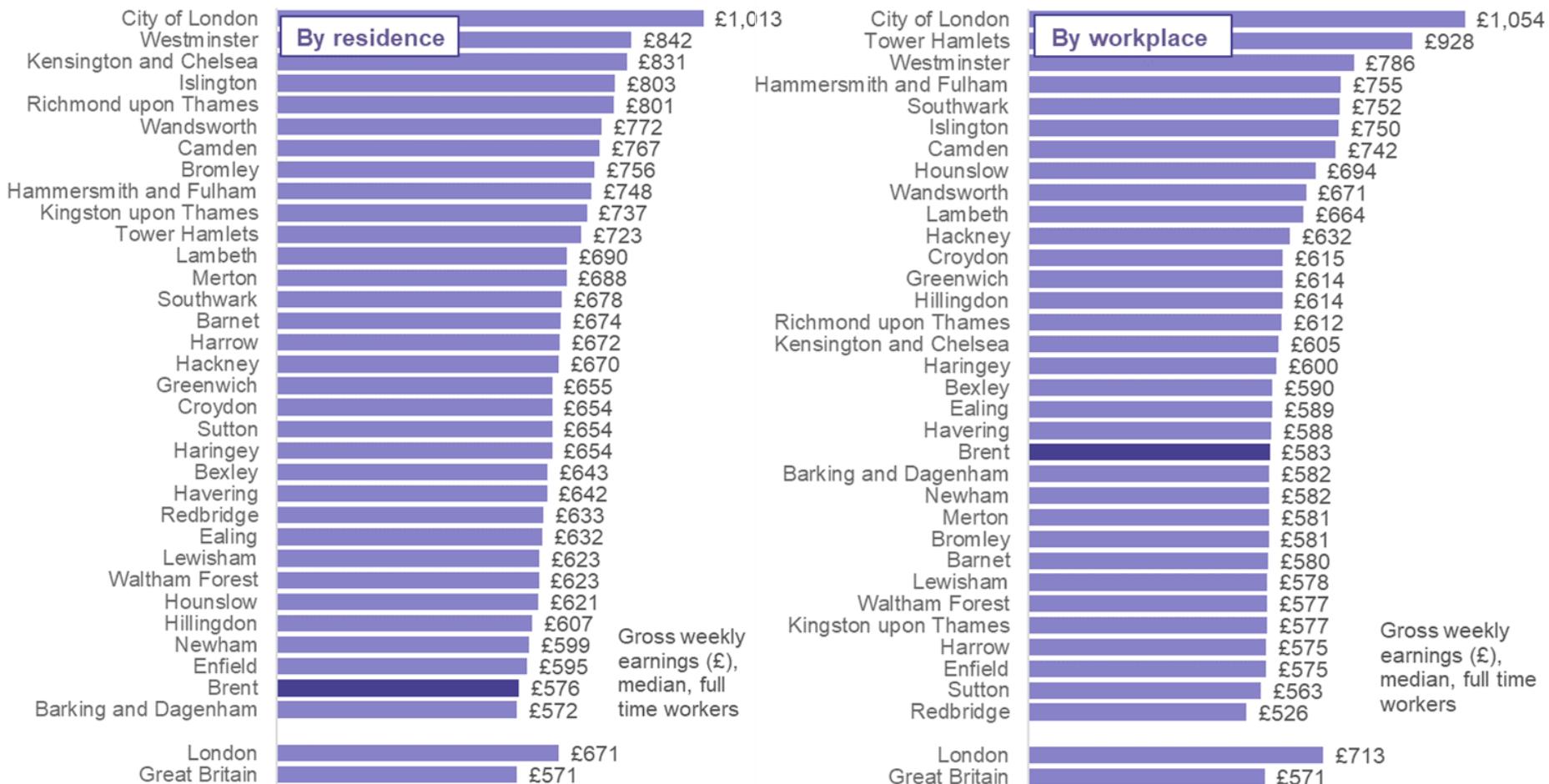


2010 Standard Occupational Classification

Earnings in Brent

Earnings levels in Brent are low relative to the rest of London. Brent residents who work full-time earn an average of £576 per week – well below the London average (£671), and the second lowest rate in London. Pay rates for those who work full-time in Brent average £583 per week – this rate is broadly in line with pay rates for those working in other Outer London boroughs, but remains well below the London average of £713 per week (which includes the earnings of those commuting into London).

Weekly pay by London Borough, full-time workers, 2018 (Median) – by place of residence and workplace



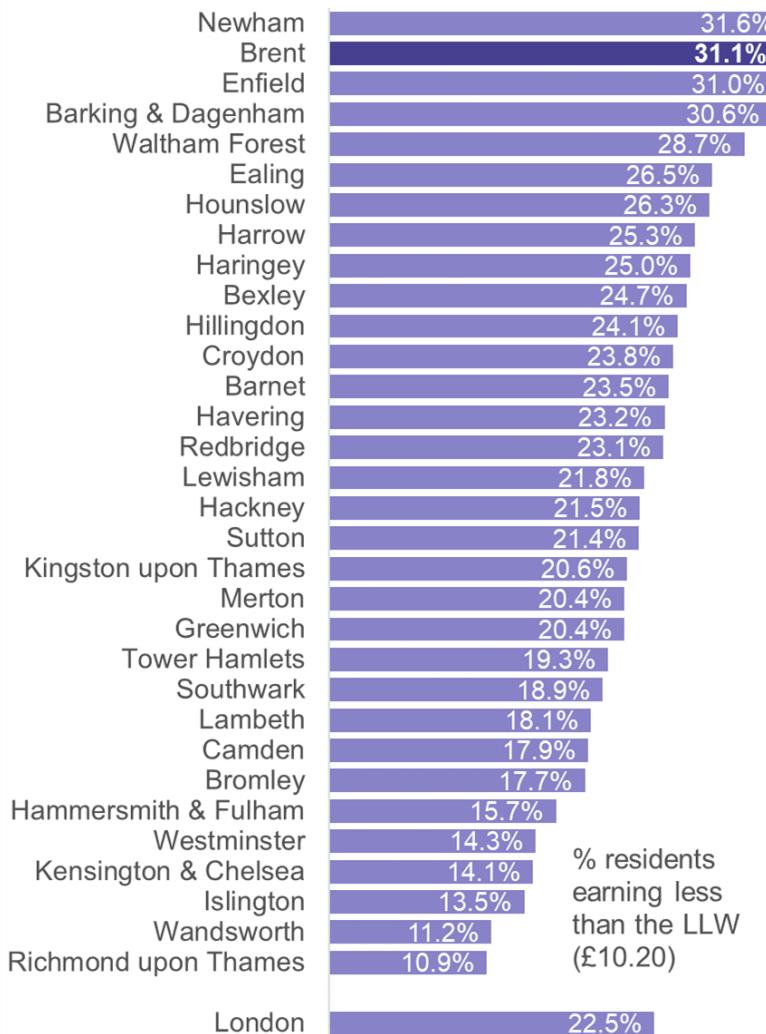
Low pay

- Brent residents are relatively low paid compared with other Londoners: almost one in three residents (31%) earned less than the London Living Wage – the second highest rate in London.
- Rates of pay are lowest among those working part-time who earn an average of £9.54 an hour - £5 less an hour than full-time workers (£14.54).
- Typically, women earn less than men – though the gender pay gap is reversed for part-time workers: male part-timers earn £8.60 an hour compared with £10.00 for women.

Average gross hourly pay rates by gender, Brent residents, 2018 (Median).



Percentage of employed residents who are paid less than the London Living Wage, 2017-18

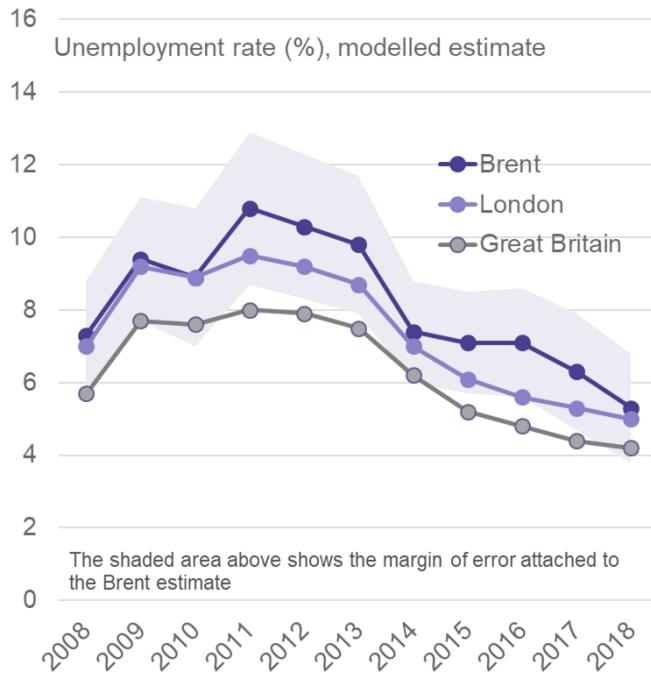


Sources: 1. ONS, Annual Survey of Hours & Earnings, 2018. Data available on the [NOMIS](#) website. 2. ONS, Annual Survey of Hours & Earnings, Trust for London ([London's Poverty Profile](#)), figures relate to employees and are two year averages for 2017 and 2018.

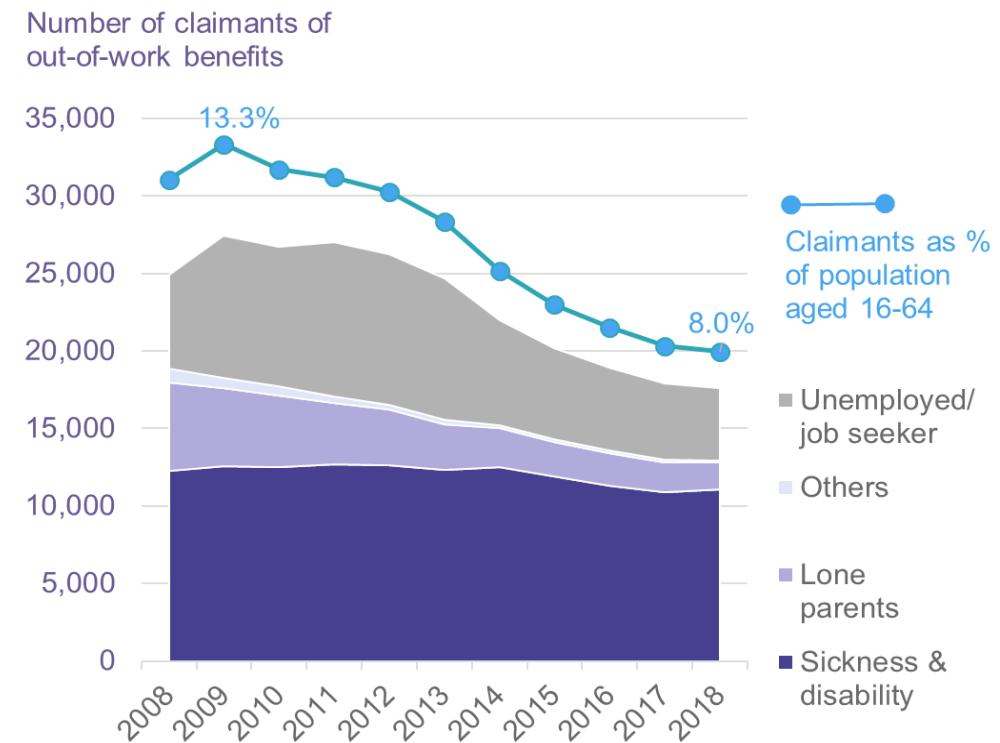
Worklessness

- In 2018, ONS estimated that around 9,100 residents were unemployed and actively seeking work - around 5.3% of the labour force. Unemployment levels in Brent have halved since the last recession falling from a high of 10.8% in 2011.
- Around 17,600 residents claim out-of-work benefits. Of these, around two thirds (63%) are receiving disability and sickness related benefits while just one quarter (26%) were claiming unemployment-related benefits. The proportion of residents who claim out-of-work benefits has been falling – dropping from 13.3% in 2009 down to 8.0% in 2018, mirroring national trends. The Brent rate remains just above the London average (7.4%).

Modelled unemployment estimates, 2008-18



Claimants of key out-of-work benefits, Brent, 2008-18

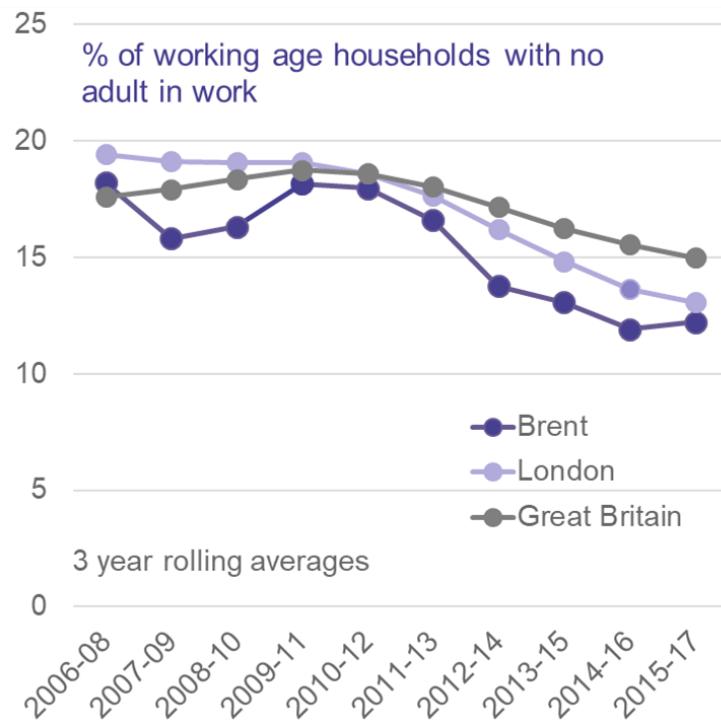


Sources: 1. ONS [model-based estimates](#), which draw on Annual Population Survey and claimant data (Jan-Dec survey periods). The rate expresses the unemployed as a % of the economically active population. 2. [DWP claimant data](#) and ONS population estimates. Out-of-work benefits are: Universal Credit (non-employed); Jobseeker's Allowance; Employment & Support Allowance; Incapacity Benefit; and Income Support (lone parents and others reliant on income-related benefits).

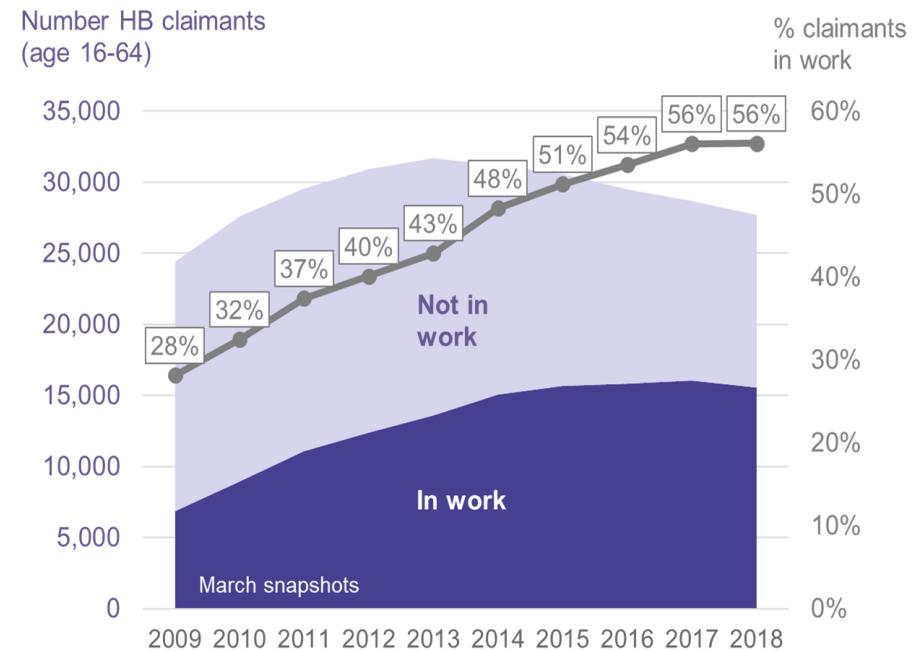
In-work poverty

- As unemployment has fallen, the percentage of workless households has also seen a significant decline . During, 2015-17, around 12% of working age households in Brent had no adult in work, down from 18% during 2006-08.
- However, while more residents have moved into work, many still require welfare support as evidenced by local trends in Housing Benefit (a means-tested benefit which helps those on low incomes pay their rent). In 2018, there were around 27,700 working age households in Brent who were receiving Housing Benefit. Of these, more than half were in work (56%) – double the percentage in 2009 (28%). The number of in-work claimants rose from 6,900 to 15,500 over this period.

Workless households, 2006-08 to 2015-17



Housing Benefit claimants by employment status, Brent, persons working age, 2009-18



Notes: Figures relate to claimants who receive Housing Benefit from Brent Council - this may include some claimants who live outside the borough.

Sources and notes

Annual Population Survey - Office for National Statistics (ONS)

Data on employment rates, occupation and qualifications has been drawn from the Annual Population Survey. The APS data are survey estimates and borough level figures are based on relatively small samples. For this reason, the majority of APS statistics presented here have been averaged over three years to improve the reliability of the estimates. APS data are available on [NOMIS](#)

Business enterprises (ONS, Inter Departmental Business Register)

Counts of business enterprises are available on NOMIS and are part of the [UK Business Counts dataset](#).

Gross Value Added statistics (ONS)

[Regional economic activity by gross value added \(balanced\), 2017](#)

Employee jobs by industry (ONS, Business Register and Employment Survey)

[Available on NOMIS](#)

Business demography statistics (ONS)

Reference tables available on the [ONS website](#)

Earnings and low pay (ONS, Annual Survey of Hours & Earnings)

Hourly pay estimates are available on [NOMIS](#)

Low pay estimates were produced by the [Trust for London](#) and were based on data from the Annual Survey of Hours & Earnings for 2017 and 2018 (Office for National Statistics).

Housing Benefit data (Department for Work and Pensions)

Housing Benefit counts are available at the DWP's statistic website: [Stat-Xplore](#)

Out-of-work benefits (Department for Work and Pensions)

Claimant data are available on [NOMIS](#). Data relate to those claiming: Universal Credit (those not employed); Jobseeker's Allowance; Employment and Support Allowance; Incapacity Benefit; or Income Support (lone parents and others reliant on income related benefits groups). The experimental claimant count series was used to estimate the total number of unemployed claimants who received either Universal Credit or Jobseeker's Allowance. Rates express the number of claimants as a percentage of the working age population (Source: ONS mid-year estimates of population).

Sources and notes (continued)

Unemployment – modelled estimates

These data are produced by the Office for National Statistics and are the ‘official’ unemployment figures for local authorities. The model-based estimate improves on the Annual Population Survey estimate of unemployment by borrowing strength from administrative data about claimants of unemployment-related benefits to produce an estimate that is more precise (ie has a smaller confidence interval). These figures are available on [NOMIS](#).

Definitions - Inner and Outer London: The definition of Inner and Outer London used in this report refers to the statistical areas defined by the Office for National Statistics (as opposed to the statutory definition). This defines Outer London as: Barking and Dagenham, Barnet, Bexley, Brent, Bromley, Croydon, Ealing, Enfield, Greenwich, Harrow, Havering, Hillingdon, Hounslow, Kingston upon Thames, Merton, Redbridge, Richmond upon Thames, Sutton, and Waltham Forest.

Further information



This report was produced by Brent Council’s Business Intelligence team. For more information please email the team at: open.data@brent.gov.uk

For more facts and figures about Brent and to access other Joint Strategic Needs Assessment reports please see the [Brent Open Data website](#).

For access to the very latest ‘official’ labour market data for Brent, see the [NOMIS area profile](#)