

Economic assets and infrastructure

Why is this important?

Economic assets and infrastructure are key enablers to economic activity, by providing premises for businesses and homes for residents. Other economic assets and infrastructure include the public estate, including roads, hospitals and schools.

What are the key findings from the data?

- There were 9.0 net additional dwellings per 1,000 dwellings in the North East LEP area in 2016/17, slightly above the England excluding London rate. This was an improvement on 2014/15 with the North East LEP area having gone from 79% of the England excluding London rate to 103% over this period
- The North East has a comparable volume of floor space per head to England excluding London. However, its rateable value is lower. There has been no change in these measures between 2014/15 and 2015/16
- There are slightly fewer major development planning applications approved per head in our area than across England excluding London. However, the number approved has increased since 2013/14

Economic assets and infrastructure in the North East LEP economy

Indicator	Most recent data	Change since 2014	NE as % of England excl. London	Gap closing with England excl. London
Net additional dwellings per 1,000 dwellings	9.0 (2016/17)	Increased by 3.3 net additional dwellings per 1,000 dwellings	103	Yes
Business floorspace sq.m per head	10.4 (2015/16)	No change	101	No change
Rateable value of business floorspace per sq.m	£58 (2015/16)	No change	89	No change
Major development planning applications approved per 10,000 population	2.3 (October 2016 to September 2017)	Increased by 0.2 planning applications approved per 10,000 population	87	No change

Sources: Housebuilding: new build dwellings (MHCLG), Business floorspace and rateable value (VOA) and Planning decisions (MHCLG)
 Notes: To ensure that seasonal factors are not affecting comparison, the same time periods are used for both the most recent year and the 2014 benchmark year for each indicator. For example, the most recent Planning decisions data is for the period October 2016 to September 2017 – so October 2013 to September 2014 is used as the comparator.

Wider commentary

Housing

The rate of housing starts in the North East LEP area (7.1 per 1,000 dwellings) was similar to England excluding London (7.2 per 1,000 dwellings) in 2016/17, with the rate having increased since 2014/15 (from 5.3 per 1,000 dwellings).

There were 5.6 housing completions per 1,000 existing dwellings in the North East LEP area in 2016/17. This is slightly below the England excluding London rate (6.2 per 1,000 existing dwellings). The rate has increased since 2014/15 (from 5.4 to 5.6) - but as the England excluding London rate has increased at a faster rate (from 5.3 to 6.2), the gap between the North East LEP and England excluding London has widened over this period.

North East Enterprise Zones



North East Enterprise Zones were created to support economic growth by developing sites with key attributes to help businesses start-up, grow and expand. Since their initial launch in 2012, the sites have attracted businesses and investors keen to take advantage of the generous financial incentives on offer, as well as the strategic locations available for development.

21 sites

296 hectares of land

Will deliver over 75,000 sq.m of new workspace

Future investment in economic assets and infrastructure

Analysis of the National Infrastructure and Construction Pipeline by the Infrastructure and Projects Authority (2017) has identified that:

- There will be a per capita investment in the North East region of £3,194 between 2017/18 and 2020/21
- This is below the English average £3,393 and is the third lowest rate of per capita investment of the English regions, with only the West Midlands and Yorkshire and the Humber having lower rates
- The North East's lower levels of investment are mainly explained by lower central and local government investment. At £1,347 per capita between 2017/18 and 2020/21, this accounted for just 42% of investment in the North East region over this period. Only one region had a lower per capita level of investment from central and local government (Yorkshire and the Humber at £1,266) and only one region had a lower proportion of the projected investment coming from this source (South West at 40%)
- More positively, only London is projected to have a higher level of private investment between 2017/18 to 2020/21 per capita than the North East region (£2,274 compared to £1,847).

What next?

Following the agreement of three Local Plans, increases in housing stock and the launch of 21 Enterprise Zone sites, the next steps for the North East in building its economic assets and infrastructure are to:

- The local authorities that do not currently have a Local Plan in place are working to develop these and a North East Planning Development Framework will be developed through the duty to co-operate to ensure that the links between key developments across the region are understood and maximised.

The North East LEP will work with partners across the region, including planning authorities, to ensure these plans are aligned with the ambitions of the SEP

- We will continue to work to secure investment for our region by working closely with the region's combined and local authorities to deliver the housing growth local development highlighted in the SEP and Local Plans

- Develop key business sites. The North East LEP will support this through the development of Enterprise Zone sites.



3 local authorities have adopted Local Plans

Newcastle • Gateshead • North Tyneside