Functional Economic Areas

Understanding economic activity across geographic areas is becoming increasingly challenging; however, it is widely acknowledged that this analysis is best conducted at the spatial level at which the market operates in order to identify economic linkages. Markets and economic areas do not adhere to the artificial boundaries of local authorities, often functioning across a number of administrative boundaries and demonstrating flexibility to change with time. Functional Economic Areas (FEAs) are areas that share a number of similar economic factors with boundaries that ideally reflect the drivers of the local economy.

There is no single, universal approach to defining FEAs. The Department for Communities and Local Government (DCLG) define FEAs as, "the area over which the local economy and its key markets operate[1]". Through establishing and understanding the FEAs of the East Riding we are better equipped to create and enact policy that meets the needs of specific areas and enhance our potential for partnership working, to better enhance strategic decision making in the economic development of the East Riding and wider region. Four Functional Economics Areas have been identified:

- Bridlington & Wolds
- Goole & Selby
- Hull
- York (East)

A set of indicators, which are outlined below, have been taken into consideration during the development of the FEAs in **figure 1**:

- Travel-to-work flows (Census, 2011)
- Housing Market Areas (East Riding Housing Strategy 2016-46)
- Travel-to-learn flows (Education Funding Agency, 2015)
- Sectoral clusters (Business Register & Employment Survey)
- Transport networks

This analysis was undertaken using data published at Middle Super Output Area (or MSOA) level, a statistical geography developed by the ONS. Each MSOA has an average population of around 7,500 people and at least 2,000 households, which was deemed a suitable geography to work with for the East Riding of Yorkshire.

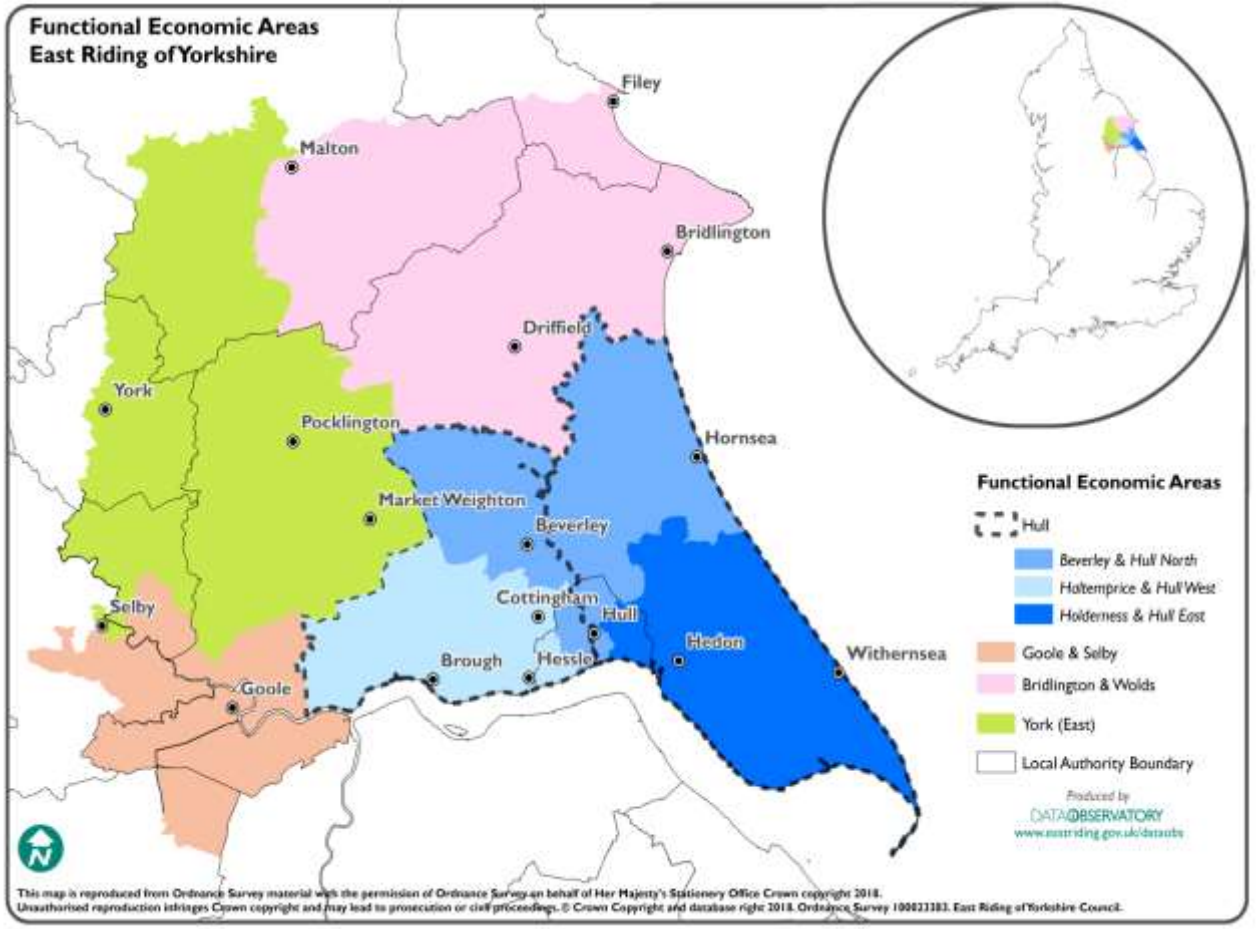


Figure 1: Functional Economic Areas across the East Riding of Yorkshire

Bridlington & Wolds FEA

Bridlington & Wolds is a Functional Economic Area that covers an area of approximately 101,250 hectares (or 390 square miles). The FEA itself is located in the North East of the East Riding of Yorkshire, and contains the towns of Bridlington, Driffield, Filey, Malton and Norton.

The FEA contains sections of four major A-roads, including sections of the A64 (Leeds to Scarborough), A166 (Bridlington to York), A614 (Bridlington to Nottinghamshire), and the A165 (Scarborough to Hull). The urban areas within the FEA enjoy good public transport links. The coastal towns of Bridlington and Filey, and the market town of Driffield are served by the Northern Rail services line (Scarborough-Sheffield), whilst Malton and Norton is located on the Scarborough-Leeds line operated by Transpennine. Bus services between Filey and Hull via Bridlington are provided by East Yorkshire Motor Services, whilst Coastliner (Transdev) and Stephensons predominantly serve Malton and surrounding rural areas. According to the travel-to-work statistics from the 2011 Census, 59% of people both live and work in this FEA.

Headline statistics

A summary of key statistics associated with this FEA are set out below:

Total population (2016)	97,400
Working age population (2016)	54,500
Businesses (2017)	4,525
Employment (2016)	34,000
Key industries	Agriculture; Manufacturing; Health; Accommodation & food services

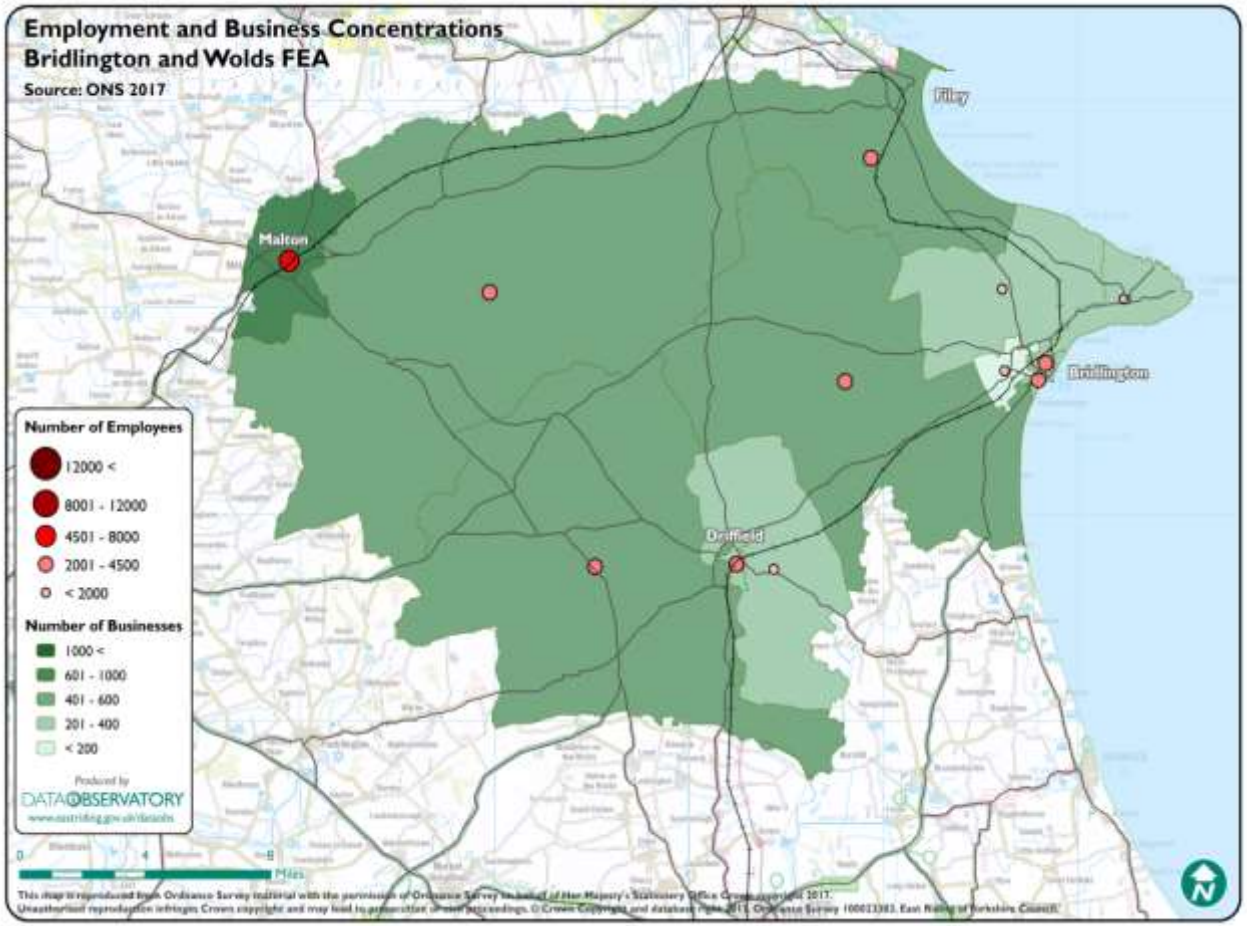
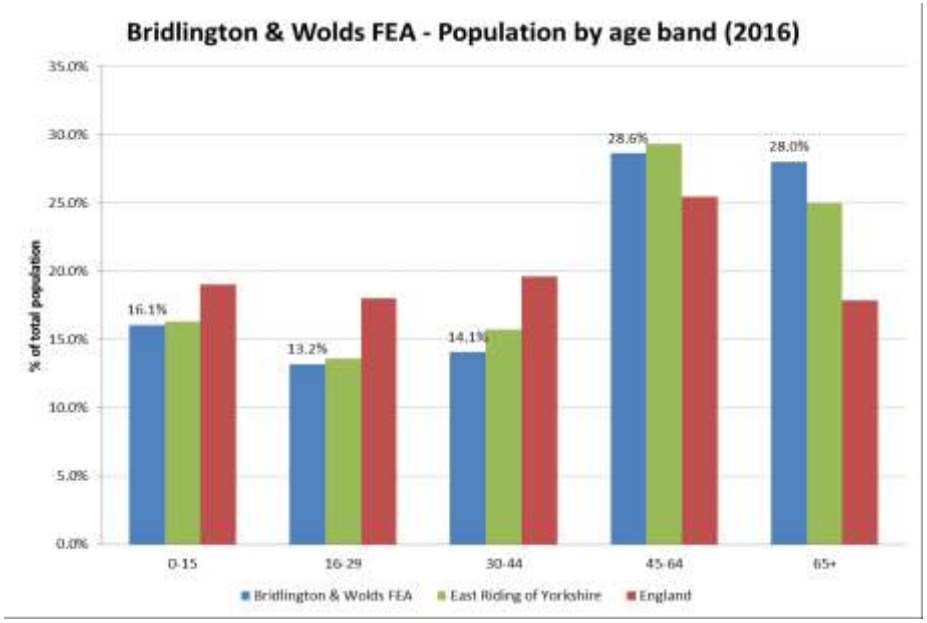


Figure 2: Bridlington & Wolds FEA

Population

The Bridlington & Wolds FEA population breakdown varies considerably against local and national trends. The working age population is below average at 55.9%, which is principally driven by the large coastal population within the FEA that typically attracts an older demographic. This is similarly why the number of residents aged 65+ is above the local and national averages.



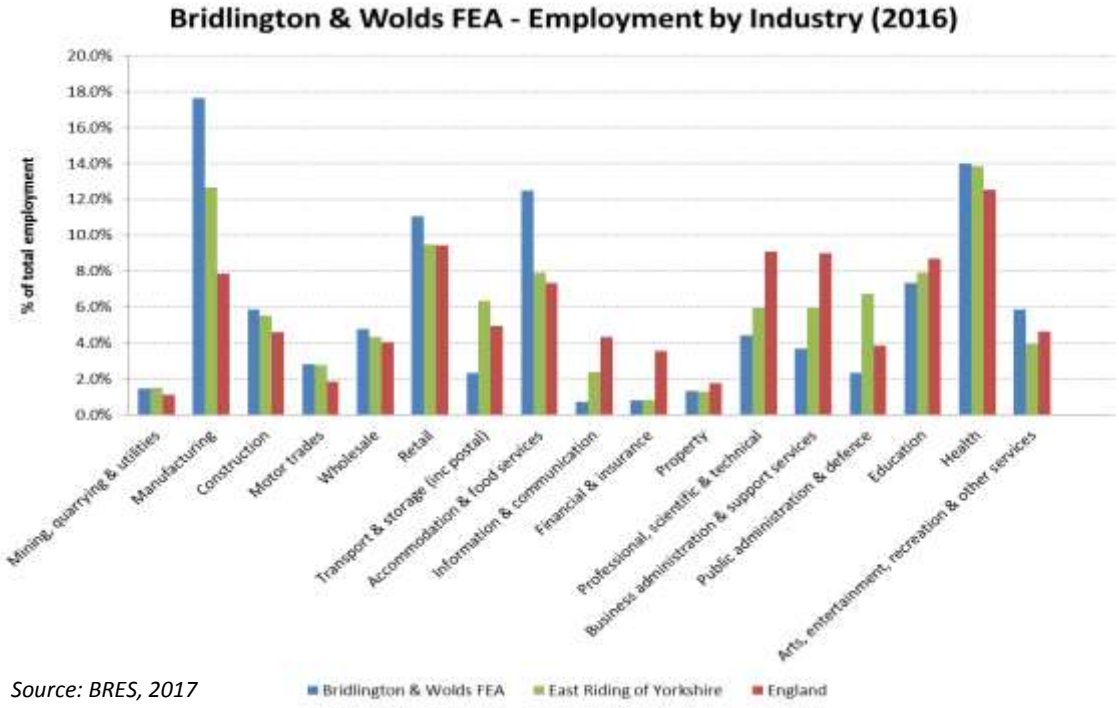
Source: ONS, 2017

Businesses

	Business Stock (2017)
Micro (0-9 employees)	3,815
Small (10-49 employees)	605
Medium (50-249 employees)	100
Large (250+ employees)	5
Total businesses	**4,525**

source: IDBR, 2017

12.2% of businesses employ 10-49 people in this FEA, which is above the local and national average. *Agriculture*, *Retail*, *Construction*, and *Accommodation & food services* account for almost half of all businesses.



Source: BRES, 2017

Employment

This bar graph (see left) illustrates the industries that provide the highest number of jobs in the Bridlington & Wolds FEA. According to statistics in 2016 from the Business Register and Employment Survey (BRES) there were approximately 34,000 jobs in the FEA (excluding agriculture), which is approximately 0.62 per working age person.

'Manufacturing' provides the most employment (17.6%), whilst 'Health' (14.0%), 'Accommodation & food services' (12.5%), and 'Retail' (11.0%) are also large employment sectors. Interestingly, the top four sectors here account for just 30.5% of total business stock; this is perhaps unsurprising as the top employing sectors, particularly in 'Manufacturing' and 'Health', tend to be larger organisations. Major employers in the FEA include AB Graphic, Carnaby Caravans, Farmhouse Potato Bakers, Bee Health and East Riding College in Bridlington, and Pro-Pak Foods and the Karro Food Group in Malton.

Goole & Selby FEA

Goole & Selby is a Functional Economic Area that covers an area of approximately 37,730 hectares (or 146 square miles). The FEA itself is located on the south western side of the East Riding of Yorkshire, and contains the East Riding towns of Goole, Howden and Snaith, in addition to Thorne in the metropolitan borough of Doncaster, and Selby.

The FEA contains two sections of the motorway network, specifically junctions 35-37 of the M62 (Hull to Liverpool) and junctions 6-7 (J35, M62) of the M18 (South Yorkshire to Rawcliffe). Other major A-roads include the A63 (Hull to Leeds) and the A614 (Bridlington to Nottinghamshire). Connectivity in the FEA can generally be regarded as good as most settlements are within 10 miles of either the motorway or a railway station. According to the travel-to-work statistics from the 2011 Census, 51% of people both live and work in this FEA.

Headline statistics

A summary of key statistics associated with this FEA are set out below:

Total population (2016)	85,200
Working age population (2016)	53,100
Businesses (2017)	3,470
Employment (2016)	35,000
Key industries	Manufacturing; Energy; Transport & logistics; Business administration & support services

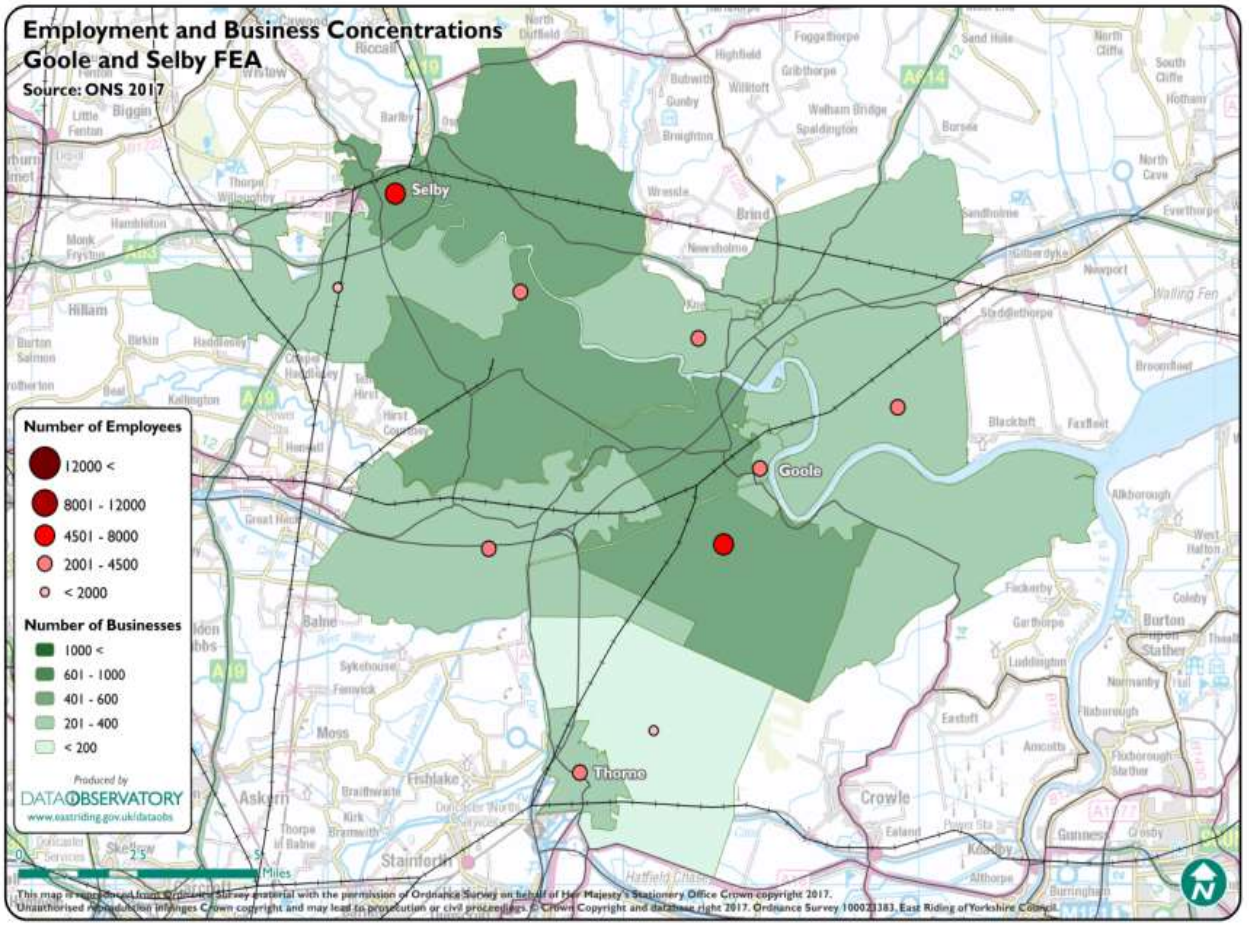
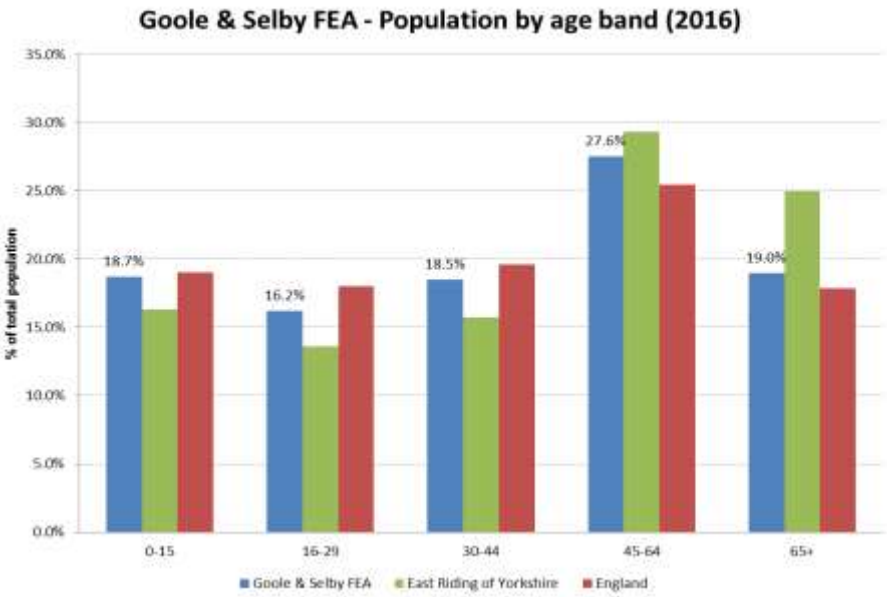


Figure 4: Goole & Selby FEA

Population

The Goole & Selby FEA population breakdown is broadly in line with local and national trends. The working age population is only marginally below the national average at 62.3% compared to 63.1% across England. This is primarily due to it being a more confined boundary driven by a larger urban population in Goole, Selby and Howden. An increase in the number of available jobs created at a number of employment sites along the M62 has also contributed to a higher working age population in the area, including a significant number of people from ethnic minority groups.



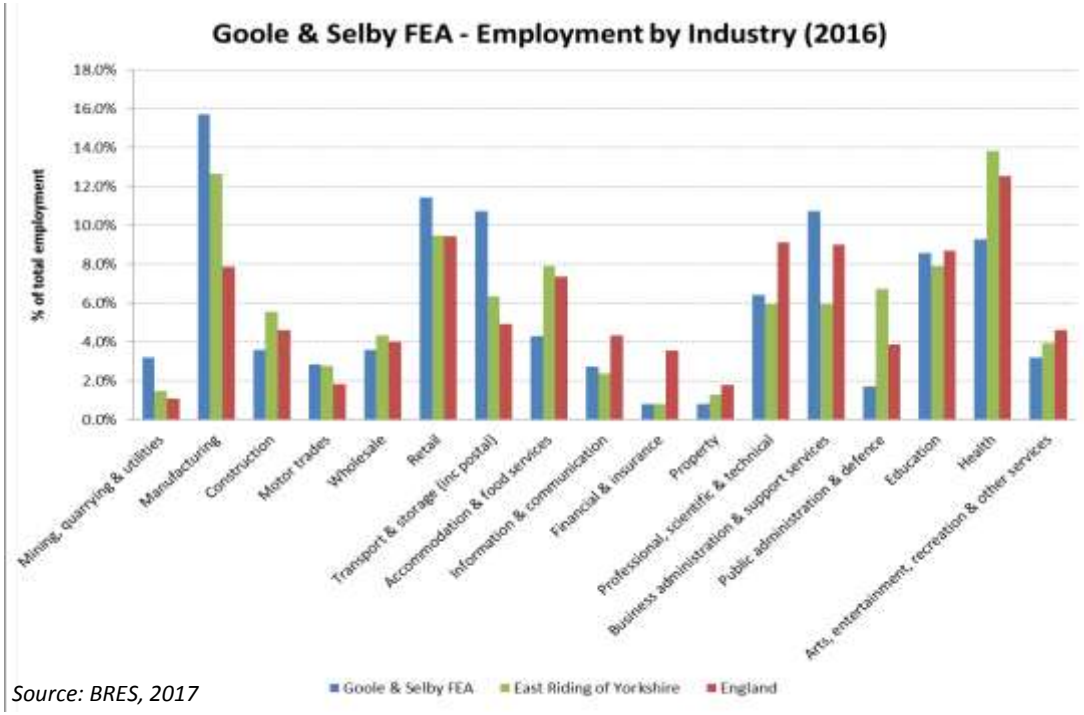
Source: ONS, 2017

Businesses

	Business Stock (2017)
Micro (0-9 employees)	2,885
Small (10-49 employees)	465
Medium (50-249 employees)	105
Large (250+ employees)	5
Total businesses	**3,470**

source: IDBR, 2017

13.4% of businesses employ 10-49 people in this FEA, which is above the local and national average. *Retail*, *Construction* and *Professional, scientific & technical* sectors make up almost a third of total business stock.



Source: BRES, 2017

Employment

This bar graph (see left) illustrates the industries that provide the highest number of jobs in the Goole & Selby FEA. According to statistics in 2016 from the Business Register and Employment Survey (BRES) there were approximately 35,000 jobs in the FEA (excluding agriculture), which is approximately 0.66 per working age person.

'Manufacturing' provides the most employment (15.6%), whilst 'Retail' (11.4%), 'Transport & storage' (10.7%), and 'Business administration and support services' (10.7%) are also large employment sectors and account for approximately 17,000 jobs. Major employers in the FEA include Wren Kitchens, Howdens Joinery, Guardian Industries, Tesco, Ebuyer, the Press Association and Croda in the East Riding of Yorkshire, and the Drax Group in Selby District.

Hull FEA

Hull has a Functional Economic Area that covers an area of approximately 118,310 hectares (or 457 square miles). The FEA itself is relatively central to the East Riding covering the city of Hull and the principal East Riding town of Beverley. The northern boundary extends along the coastline beyond Hornsea, comprises the Haltemprice settlements as it stretches out along the A63 to the west, and includes Holderness and town of Withernsea to the east.

The FEA contains sections of some of the busiest roads in the East Riding, specifically the A63 (Leeds to Hull), A1079 (York to Hull), the A164 (Driffield to Hessle), and the A165 (Bridlington to Hull). The urban areas within the FEA enjoy frequent bus services provided by East Yorkshire Motor Services and rail by TransPennine, Northern Rail and Hull Trains respectively; however the rural towns of Hornsea and Withernsea are somewhat more isolated on the coast.

When analysing the Hull FEA, it is important to recognise the impact that the urban areas of Hull have upon the final statistics. Almost two-thirds of the FEA population live within the Hull authority boundary despite covering just 7% (13.5 square miles) of the total area; consequently, this is a major driver of the economic linkages that exist within this FEA. According to the travel-to-work statistics from the 2011 Census, 85% of people both live and work in this FEA.

Headline statistics

Total population (2016)	456,700
Working age population (2016)	286,400
Businesses (2017)	18,040
Employment (2016)	199,000
Key industries	Health; Manufacturing; Education; Retail; Business administration & support services

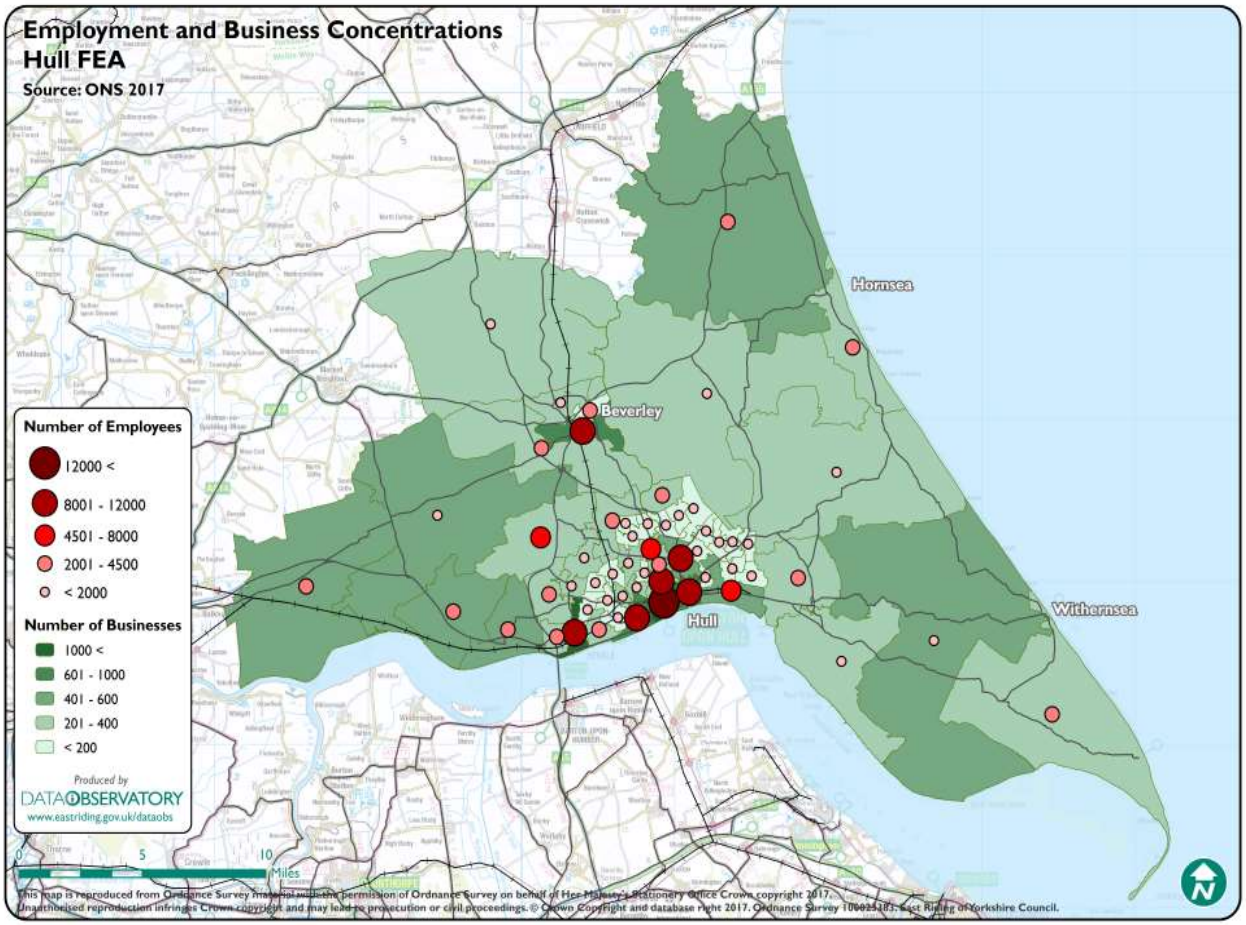
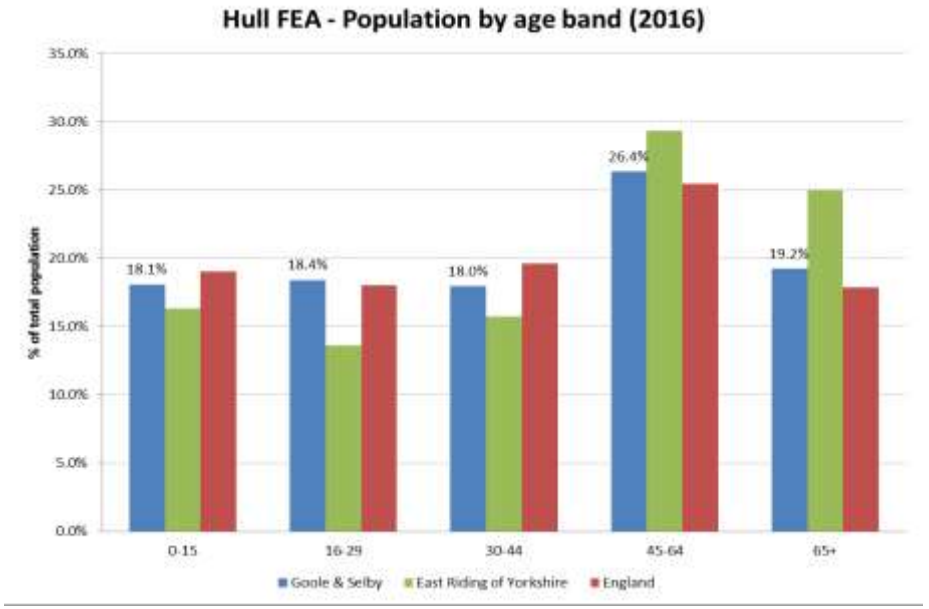


Figure 3: Hull FEA

Population

The Hull FEA population breakdown is broadly in line with local and national trends. The working age population is marginally below average at 62.7%, which is principally driven by the city of Hull. The presence of the University of Hull within the city boundary also contributes to an above average ratio of 16-29 year olds within this FEA.



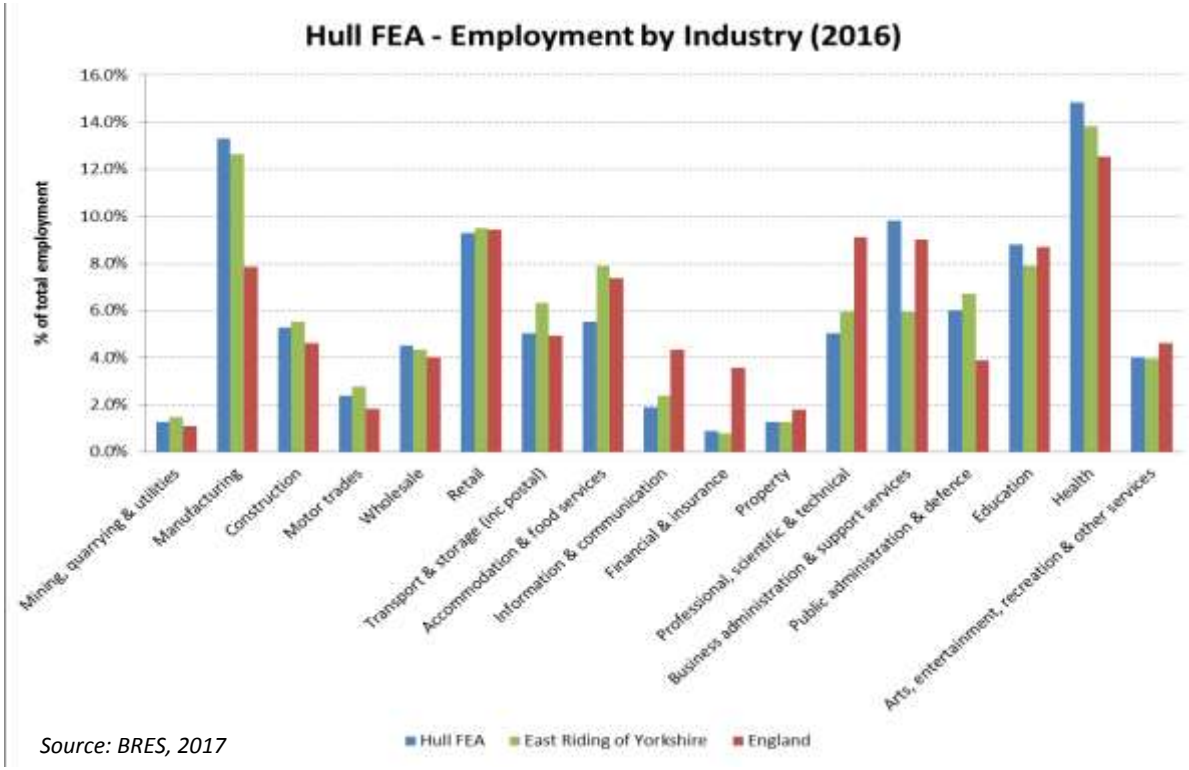
Source: ONS, 2017

Businesses

	Business Stock (2017)
Micro (0-9 employees)	14,565
Small (10-49 employees)	2,830
Medium (50-249 employees)	565
Large (250+ employees)	80
Total businesses	**18,040**

source: IDBR, 2017

15.7% of businesses employ 10-49 people in this FEA, which is above the local and national average. The FEA is also home to an above average proportion of large businesses (0.4%) employing more than 250 people.



Source: BRES, 2017

Employment

This bar graph illustrates the industries that provide the highest number of jobs in the Hull FEA. According to statistics in 2016 from the Business Register and Employment Survey (BRES) there were approximately 199,000 jobs in the FEA (excluding agriculture), which is approximately 0.69 per working age person.

'Health' provides the most employment (14.8%), whilst 'Manufacturing' (13.3%), 'Business administration & support services' (9.8%), and 'Retail' (9.3%) are also large employment sectors. Interestingly, the top four sectors here account for less than a third of total business stock; this is perhaps unsurprising as the top employing sectors, particularly in 'Health' and 'Manufacturing', tend to be larger organisations. Major employers in the FEA include Hull Royal Infirmary and Castle Hill Hospitals, the University of Hull, Smith & Nephew, Reckitt Benckiser, Swift Group, William Jackson Food Group, BAE Systems, KCOM and Cranswick PLC.

York (East) FEA

York (East) is a Functional Economic Area that covers an area of approximately 105,500 hectares (or 407 square miles). The FEA itself is located in the North West of the East Riding of Yorkshire, and contains the eastern side of the city of York and the towns of Selby, Pocklington, Market Weighton and Stamford Bridge.

The FEA contains sections of four major A-roads into the city of York, specifically the A19 (Doncaster to Newcastle), A1079 (Hull to York), A166 (Bridlington to York), and the A64 (Leeds to Scarborough). The urban areas within the FEA enjoy excellent public transport links. Selby town is served by First Transpennine Express rail services (Hull-Manchester), First Hull Trains (Hull-London) and direct Northern Rail trains from Selby town to York. Frequent rail services to London; Edinburgh; Leeds and Sheffield are also available from York. Bus services between Selby town and York are provided by Arriva, whilst the East Riding of Yorkshire is predominantly served by East Yorkshire Motor Services operating an hourly service between Hull and York via Pocklington. According to the travel-to-work statistics from the 2011 Census, 59% of people both live and work in this FEA.

Headline statistics

A summary of key statistics associated with this FEA:

Total population (2016)	162,900
Working age population (2016)	108,700
Businesses (2017)	9,225
Employment (2016)	94,500
Key industries	Retail; Accommodation & food services; Professional, scientific & technical; Education; Health;

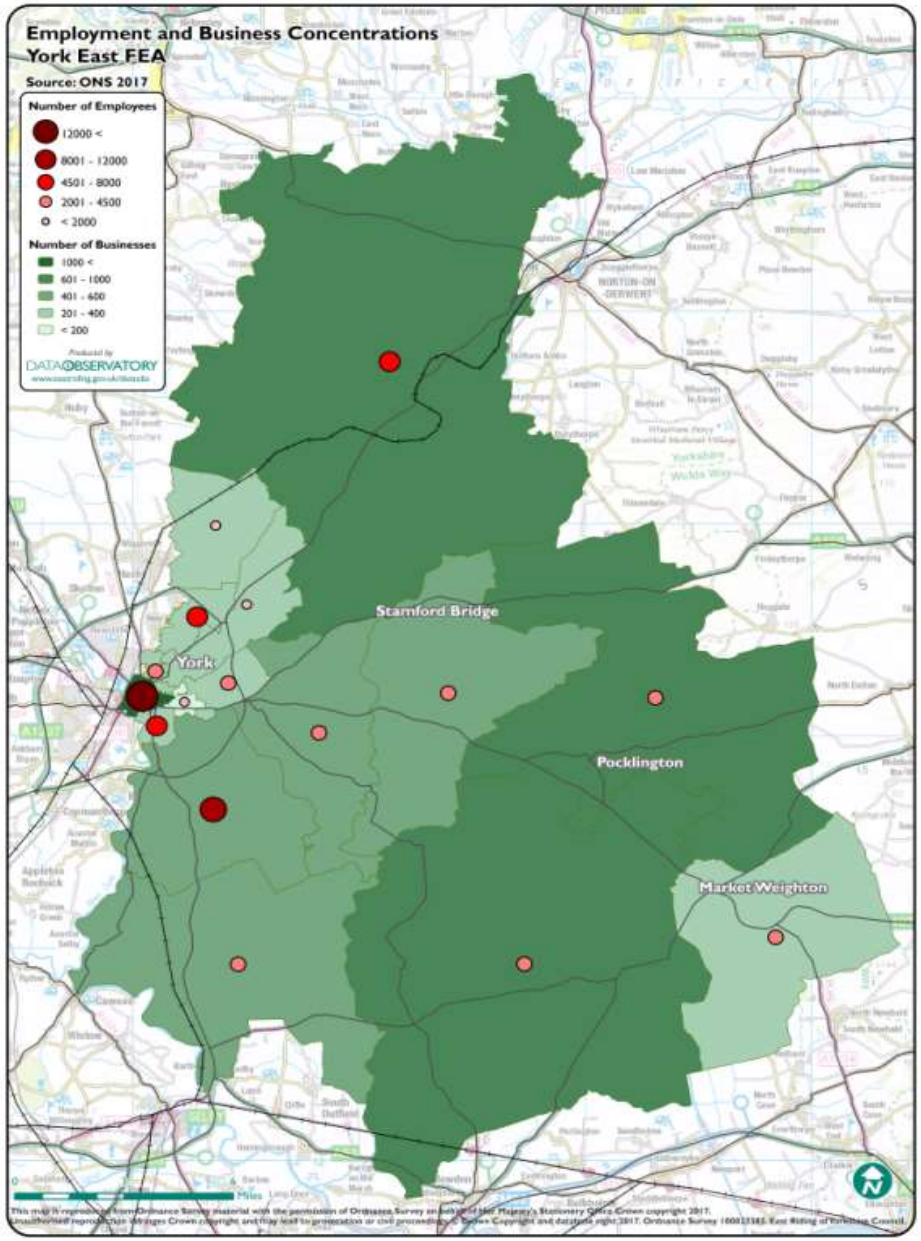


Figure 5: York (East) FEA

Population

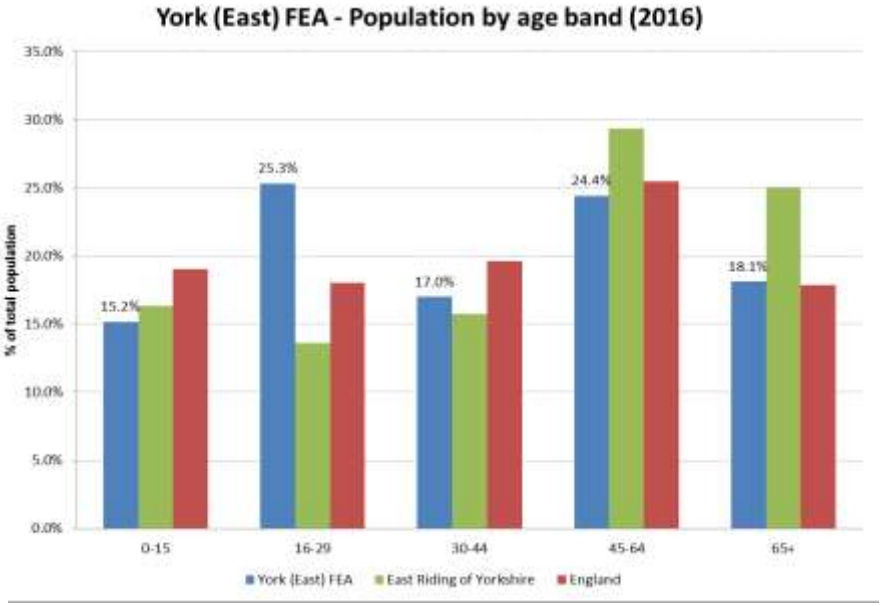
The York (East) FEA population breakdown is broadly in line with local and national trends with the exception of 0-15 and 16-29 year age groups. The significant student intake into the two Universities and York College ensure that there is a younger demographic in this FEA. The working age population represents two-thirds of the population, 3.6% higher than the England average.

Businesses

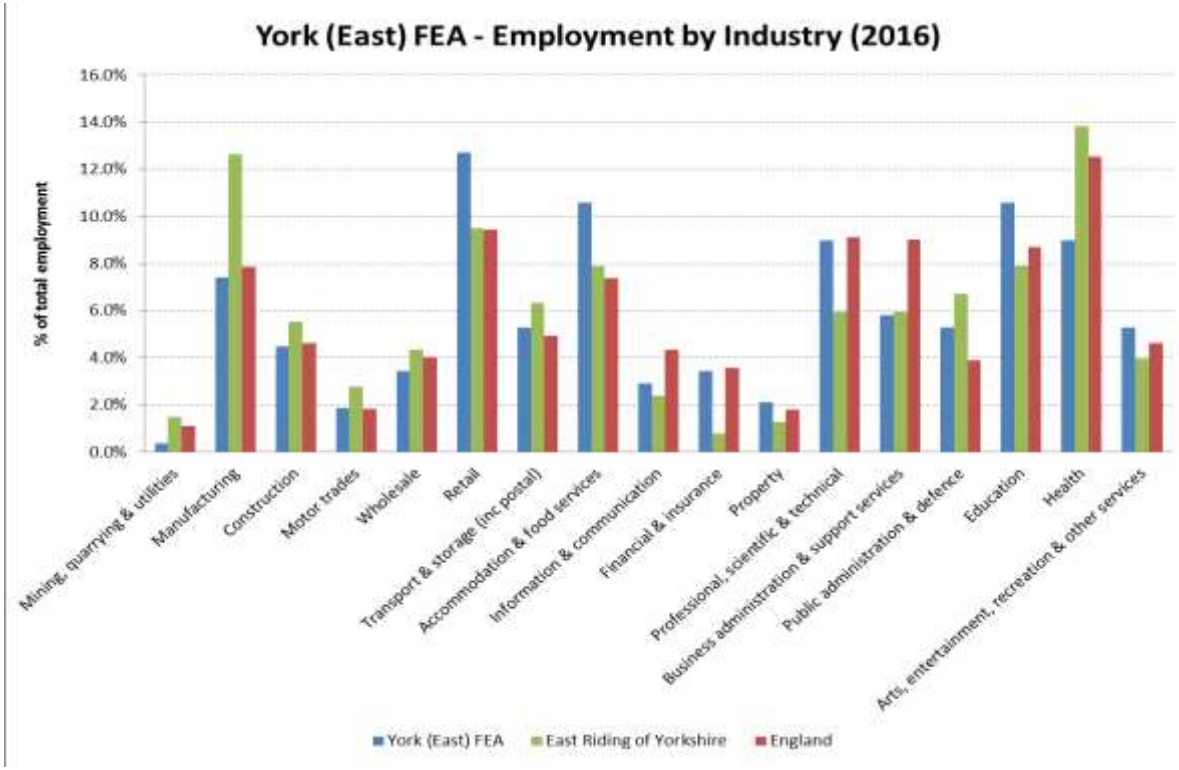
	Business Stock (2017)
Micro (0-9 employees)	7,485
Small (10-49 employees)	1,435
Medium (50-249 employees)	270
Large (250+ employees)	35
Total businesses	**9,225**

source: IDBR, 2017

15.5% of businesses employ 10-49 people in this FEA, which is above the local and national average. *Professional, scientific & technical*, *Retail* and *Agriculture*, and account for 35.9% of all businesses.



Source: ONS, 2017



Employment

This bar graph illustrates the industries that provide the highest number of jobs in the York (East) FEA. According to statistics in 2016 from the Business Register and Employment Survey (BRES) there were approximately 94,500 jobs in the FEA, which is approximately 0.87 per working age person.

'Retail' provides the most employment (12.7%), whilst 'Education' (10.6%), 'Accommodation & food services' (10.6%), 'Health' (9.0%), and 'Professional, scientific & technical' (9.0%) are also large employment sectors. Collectively these five sectors account for 51.9% of total employment. Major employers in the FEA include Rosti UK Ltd, the Universities of York and York St. John, DEFRA, Portakabin, and Persimmon Homes.