

Competitiveness and Growth: How Competitive is each Notts District?

Piers Thompson, Associate Professor at Nottingham Business School

For successful firms to be developed and attracted on a regular basis, a local area needs the right conditions to be present. The concept of local competitiveness captures these conditions and allows us to compare Nottingham and Nottinghamshire to other parts of the country. When trying to measure local competitiveness we focus on both the current situation and those factors that will influence the success of the area in the future.

The UK Competitiveness Index (UKCI) has been produced at the local level since 2000 and benchmarks localities against the UK average. It is a long running research collaboration between Cardiff University and NTU and is based on three sets of indicators:

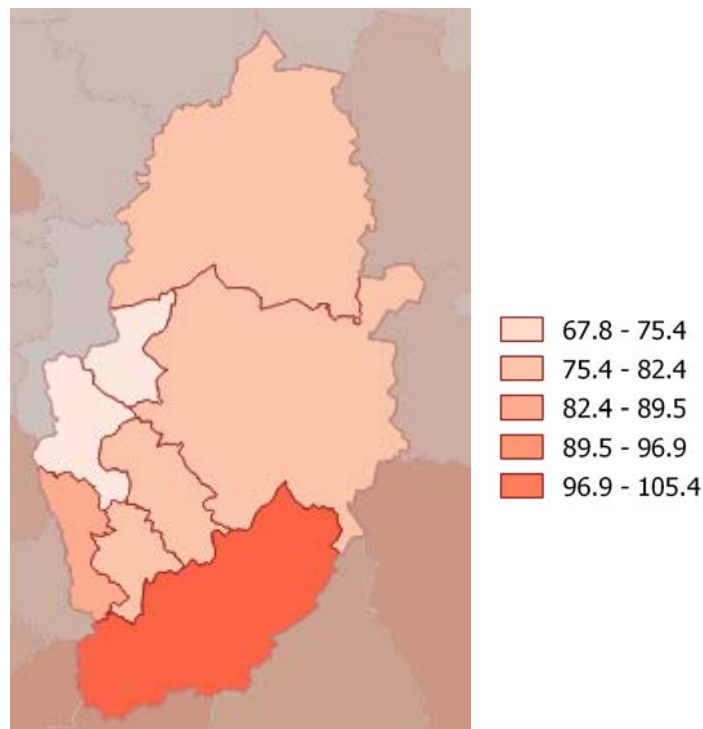
- UKCI Input Index – Factors present in the local economy allowing firms to succeed (e.g. educated workforce, new business creation)
- UKCI Output Index – Ability to convert inputs into valuable outputs (e.g. gross value added, employment)
- UKCI Outcome Index – Extent that the local population benefits from the outputs created (e.g. median income levels, unemployment).

All localities in Nottinghamshire display competitiveness below the UK average (UKCI = 100), this is to be expected because London and the South East dominate the upper ranks of the UKCI. In many ways this reflects the presence of a longstanding North-South divide in England and provides strong evidence of the need for greater public investment in the County.

| Nottinghamshire Rank | LA Area | UKCI 2019 | Rank 2019 (of 379) |
|----------------------|---------------------|-----------|--------------------|
| 1 | Rushcliffe | 99.7 | 123 |
| 2 | Nottingham | 88.1 | 252 |
| 3 | Broxtowe | 87.5 | 262 |
| 4 | Gedling | 87.0 | 269 |
| 5 | Bassetlaw | 84.2 | 300 |
| 6 | Newark and Sherwood | 84.0 | 303 |
| 7 | Ashfield | 80.0 | 358 |
| 8 | Mansfield | 76.6 | 377 |

Notes: Values are based on those presented in the UKCI 2019 updated with recent data releases.

Map of the UKCI 2019 for Nottinghamshire



Within Nottinghamshire itself a similar pattern is present. The more northern localities further from the main urban centre of Nottingham have lower levels of competitiveness. The component indices of the UKCI provide an interesting story. Those localities close to Nottingham, such as Rushcliffe and Broxtowe enjoy relatively good outcomes for the population. They have the input factors present to attract and create high growth firms. It is Nottingham itself that leads the way in terms of converting inputs into valuable outputs. This reflects the commuter patterns in the south of the County. It does though highlight the problems faced in trying to support the whole county in raising its competitiveness. Although, resources are being sucked into Nottingham, they are not necessarily leading to the creation of firms and employment that benefit the population of the city itself.

Localities further afield do not benefit in the same way and struggle to retain key inputs. Improvements in connectivity (digital or physical) to allow prosperity and success to be shared could help. Equally important will be to align the jobs created with the population of the county as a whole – not just a lucky few. Continuing education will have a key role to play in ensuring that the successful firms can find the type of workers they need locally rather than attracting staff from elsewhere.

This article is based on Huggins, R. Thompson, P. and Prokop, D. (2019) *UK Competitiveness Index Report 2019*: [UK Competitiveness Index 2019](#).