



Economy and Environment Overview and Scrutiny Commission

Economic Update
January 2026



Summary

- Government Policy Update
 - Autumn Budget
 - Pride in Place
- Local Economic Update

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GOVERNMENT POLICY UPDATE



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Autumn 2025 Budget

Overall Principles and Objectives

- Providing stability, investment and reform that will enable the conditions for sustainable growth and reduce the cost of living
- Getting inflation down and tackling the cost of living
- Tackling child poverty and reforming welfare
- Growth, business & entrepreneurship
- Cutting waste and investing in public services
- Raising revenue fairly
- Modernising the tax system

Autumn 2025 Budget

- **Infrastructure and Regional Investment**

- Local Roads: A commitment of over £2 billion annually by 2029-30 was made to local authorities for road maintenance and fixing potholes across England.
- City-Region Transport: The budget protected over £120 billion in total capital investment across the Parliament, including £15.6 billion for major city-region transport projects.

- **Business and Innovation Support**

- R&D Funding: The government confirmed £20.4 billion public-sector R&D funding for 2025/26, with a focus on high-growth sectors like life sciences and clean energy.
- Business Rates: High streets, retail, hospitality, and leisure businesses will benefit from permanently lower business rates, funded by higher rates for large online retailer warehouses.

Autumn 2025 Budget

- **Skills and Employment**

- Youth Guarantee: Over £1.5 billion was made available across the spending review period for the Youth Guarantee and the Growth and Skills Levy to tackle youth unemployment and provide young people aged 16-24 with access to support for employment or education.
- Apprenticeships: additional investment for SMEs hiring apprentices under 25, making training fully funded by the government.

Pride in Place Neighbourhood Delivery

- Programme aims to help revitalise local areas and fight deprivation with three goals:
 - Creating Thriving Places
 - Building Stronger Communities
 - Empowering People to Thrive
- Three neighbourhoods funded in Hull - Orchard Park, Boulevard and St Andrew's Quay, and Greatfield
- Investment of £19.6m per area over the next 10 years
- Initial phase during 2026 will include recruitment to the Neighbourhood Board, community engagement and involvement to select local priorities, and submission of proposals to MHCLG by no later than November 2026

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ECONOMIC UPDATE



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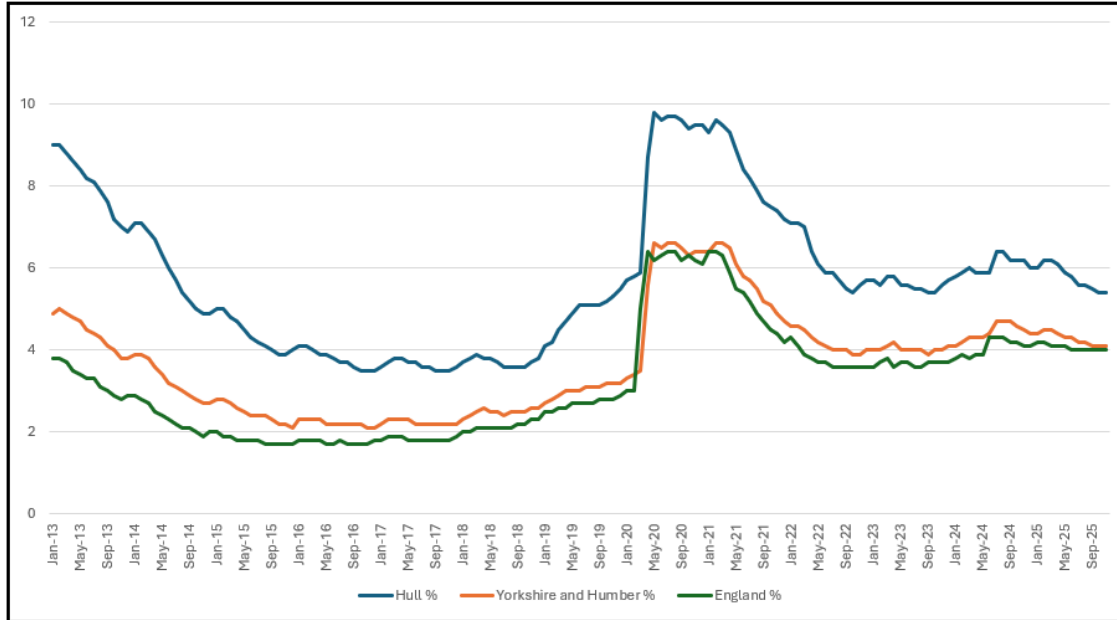
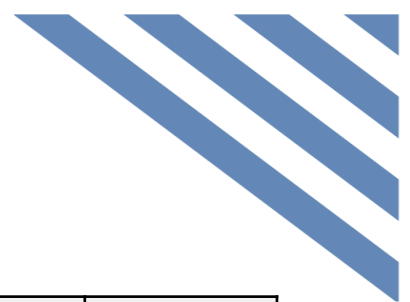


Labour Market Statistics

July 2024 – June 2025

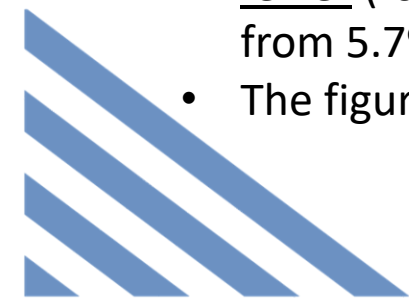
Population Aged 16 - 64	Hull No	Hull %	Eng %	Hull Annual Change (No)		Hull Annual Change (Percentage Points)	
Economically Active	127,500	73.6	78.8	-1,400	▼	+1.1pp	▼
- In Employment	117,500	67.6	75.5	-8,100	▼	-6.4pp	▼
- Employees	109,500	63.2	65.7	-5,200	▼	-4.5pp	▼
- Self Employed	7,500	4.3	9.5	-2,100	▼	-21.9pp	▼
- Unemployed	10,000	8.1	4.2	6,200	▲	+163.2pp	▲
Economically Inactive	44,700	26.4	21.2	2,800	▲	+6.7pp	▲
- Wants a Job	11,200	25.1	19.7	-300	▼	-2.6pp	▼
- Does Not Want A Job	33,500	74.9	80.3	3,100	▲	+10.2pp	▲

Unemployment Benefit Claimants – Nov 25



	Hull No	Hull %	Eng %
Total 16+	9,275	5.4	4.0
Aged 16 To 17	40	0.7	0.2
Aged 18 To 24	1,985	7.9	5.9
Aged 18 To 21	1,300	9.5	6.5
Aged 25 To 49	5,330	5.8	4.4
Aged 50+	1,920	3.9	2.9

- Compared to a year ago (November 2024) there are currently 1,380 fewer (-13.0%) unemployment benefit claimants in Hull and the unemployment benefit claimant rate has fallen from 6.1% to 5.3%.
- Compared to March 2020, immediately prior to the start of the COVID-19 pandemic, there are currently 600 fewer (-6.1%) unemployment benefit claimants in Hull and the unemployment benefit claimant rate has fallen from 5.7% to 5.3%.
- The figures for December 2025 are expected to be released on 20th January 2026.



Unemployment Benefits: Comparator Authorities

Hull's closest nearest neighbour comparator authorities linked to population size and density, age structure, levels of deprivation, health and housing stock etc.

Local Authority	Nov. 2024, %	Nov. 2025, %	Percentage Point Change	
Sandwell	7.10%	6.90%	-0.2pp	▼
Wolverhampton	7.60%	6.90%	-0.7pp	▼
Rochdale	6.40%	6.00%	-0.4pp	▼
Blackburn with Darwen	6.40%	5.50%	-0.9pp	▼
Liverpool	5.90%	5.50%	-0.4pp	▼
Stoke-on-Trent	6.00%	5.50%	-0.5pp	▼
Bolton	6.00%	5.30%	-0.7pp	▼
Kingston upon Hull, City of	6.10%	5.30%	-0.8pp	▼
Derby	5.40%	5.10%	-0.3pp	▼
Middlesbrough	5.60%	5.10%	-0.5pp	▼
Salford	5.00%	5.10%	+0.1pp	▲
Tameside	5.10%	4.80%	-0.3pp	▼
Halton	4.40%	4.30%	-0.1pp	▼
Gateshead	4.30%	4.00%	-0.3pp	▼
Newcastle upon Tyne	4.40%	4.00%	-0.4pp	▼
Sunderland	4.40%	3.90%	-0.5pp	▼
AVERAGE	5.70%	5.30%	-0.4pp	▼

Gross Value Added (GVA) 2023

	Hull	Eng	Hull Annual Change (£)	
Total GVA (£ mill)	£7,403m	£2,113,338m	+ £690 mill	▲
GVA Per Head (£)	£27,222	£36,632	+ £2,236	▲

Key Sectors				
	Hull Total (£ mill)	Hull Per Head (£)	Hull Total Annual Change (£)	
Manufacturing	£1,819	£6,689	+ £153m	▲
Human Health and Social Work	£882	£3,243	+ £80m	▲
Wholesale and Retail Trade	£812	£2,986	+ £88m	▲
Real Estate	£633	£2,328	+ £16m	▲
Education	£610	£2,243	+ £94m	▲
Construction	£557	£2,048	+ £31m	▲

Business and Enterprise, 2025

	Hull	Yorkshire and Humber	Hull Annual Change	
Total Enterprises	6,495	190,755	-10	▼
Enterprises Per 1,000 Population	23.6	33.6	- 0.3	▼

	Hull (No)	Hull (%)	Y&H (%)	Hull Annual Change (No)	
Micro (0 – 9 Employees)	5,445	83.80%	88.30%	10	▲
Small (10 – 49 Employees)	855	13.20%	9.60%	-10	▼
Medium (50 – 249 Employees)	150	2.30%	1.70%	-10	▼
Large (250 + Employees)	45	0.70%	0.40%	0	=

Largest Business Sectors (Most Number of Enterprises)	Hull No	Hull %	Hull Annual Change (No)	
561 : Restaurants and mobile food service activities	435	6.7%	-5	▼
432 : Electrical, plumbing and other construction installation activities	365	5.6%	15	▲
960 : Other personal service activities	285	4.4%	-5	▼
433 : Building completion and finishing	230	3.5%	-10	▼
494 : Freight transport by road and removal services	200	3.1%	-30	▼