



## In the zone?

# Have enterprise zones delivered the jobs they promised?

### Introduction

The 2011 Budget delivered a blast from the past, with the then Chancellor George Osborne announcing a new round of enterprise zones to follow the use of the policy by the Thatcher and Major governments in the 1980s and 1990s. In total 24 new zones were announced, and they subsequently became operational in 2012.<sup>1</sup>

The context for the creation of this new round of zones differed to that for their predecessors. In the first round the areas chosen tended to be sites of economic weakness and physical decay. The aim was to both revitalise these derelict areas and encourage economic growth.<sup>2</sup> The difference this time was that the focus was on reducing the burdens on the private sector so that it could deliver economic growth and job creation in response to the impact of the global financial crisis.<sup>3</sup>

There are two ways in which the zones aim to improve the economic outlook of an area. Firstly, direct tax incentives such as business rate discounts and capital allowances as well as easier planning permissions are designed to make an area more attractive to business investment. Secondly, the option for Local Enterprise Partnerships (LEPs) to borrow against future business rate growth allows them to invest in infrastructure to bring about the redevelopment of an area.

This paper establishes how well the current round of enterprise zones has performed five years after their inception. To do this it looks at the job creation seen in the zones between 2012 and 2017, showing the overall number of jobs created as well as looking at the type and geography of these new positions. The findings have relevance for enterprise zones and other area-based initiatives such as free ports, which have attracted policy attention in recent months.<sup>4</sup>

1 Ward, M (2016), Briefing Paper: Enterprise Zones. House of Commons Library

2 PA Cambridge Economic Consultants (1995), Final Evaluation of Enterprise Zones. London: HMSO

3 The Humber Green Point Corridor and Lancashire Enterprise Zones were established separately in response to job losses announced by BAE Systems.

4 Ward M (2018) The establishment of free ports in the UK, London: House of Commons Library

### Box 1: The recent enterprise zones in a nutshell

Enterprise zones offered a series of incentives including:

- Business rates discount of up to 100 per cent over a five year period, worth up to £275,000 per business in total for businesses moving to an enterprise zone before April 2015.
- Simplified planning.
- Superfast broadband.
- 100 percent first year capital allowances for plant and machinery.

In addition, LEPs **retain all businesses rates growth within enterprise zones for 25 years** from April 2013, and this could be reinvested in the area. Other concessions include the ability to use Tax Increment Financing to allow local areas to borrow today against future increases in business rate receipts to fund the development of infrastructure.

The allocation of the first 24 enterprise zones followed three different rationales as summarised in Figure 1. The first 11 were allocated to LEPs covering Core Cities<sup>5</sup> in England. Two were allocated to the Humber and the Lancashire LEPs in response to major job losses at BAE Systems plants. The rest were allocated through a bidding process. The specific sites within the LEPs were decided by the LEPs themselves.

**Figure 1: Enterprise zones designed in 2011**

Enterprise zones	Announced	Basis for selection
Birmingham city centre, Sheffield City Region, Leeds City Region, Liverpool City Region, London Royal Docks, Manchester City Airport, West of England (Bristol), the Black Country, Derby and Nottingham, Tees Valley and the North East	March 2011	Core cities Regeneration Public sector employment
Daresbury, Newquay AeroHub, Solent Daedalus, MIRA Technology Park, Hereford, Discovery Park, Harlow, Science Vale, Northampton Waterside, Alconbury, Great Yarmouth and Lowestoft.	August 2011	Competitive Value for money
Lancashire, Humber	November 2011	Response to large job losses

<sup>5</sup> Core Cities in England include: Birmingham, Bristol, Leeds, Liverpool, Manchester, Newcastle, Nottingham and Sheffield.

## Job creation in the enterprise zones

The main stated reason for a new round of enterprise zones was to boost job creation across the country by removing barriers to growth faced by the private sector. This section looks at the impact of the first 24 enterprise zones on jobs in their local area.

### Box 2: What can we learn from the first round of enterprise zones?

Enterprise zones were first introduced under the Thatcher and Major governments. Between 1981 and 1997, 38 enterprise zones were set up, mainly to regenerate derelict sites in areas where private sector investment in property was unlikely.<sup>6</sup> They offered similar incentives to the ones set up in 2011 such as 100 per cent discount on capital allowances on investment in property, and exemption from business rates.

**There are four lessons that can be learnt from the evidence on this first round.**

- **They regenerated derelict areas.** Former enterprise zones such as the Isle of Dogs and Salford are completely different from the way they looked in the 1980s. But regenerating brownfield land like this is no longer the priority for the current enterprise zones.
- **But they did not create many jobs.** During the first round of enterprise zones, between 1981 and 1997 the total number of jobs in the zones increased by between 96,000 and 125,000, many of which were in London.<sup>7</sup> But many of these jobs were displaced from elsewhere: only 58,000 of these were net additional jobs.
- **Urban zones with good transport links grew the fastest** whereas non-urban areas grew the slowest.
- **They were expensive.** Between 1981/82 and 1992/93 the total public sector cost of the enterprise zones was £1.21 billion (in 2017 prices). Rate relief and capital allowances accounted for 90 per cent of this. This means that each job cost around £28,540.<sup>8</sup>

6 Larkin, K & Wilcox, Z (2011), What would Maggie do? London: Centre for Cities

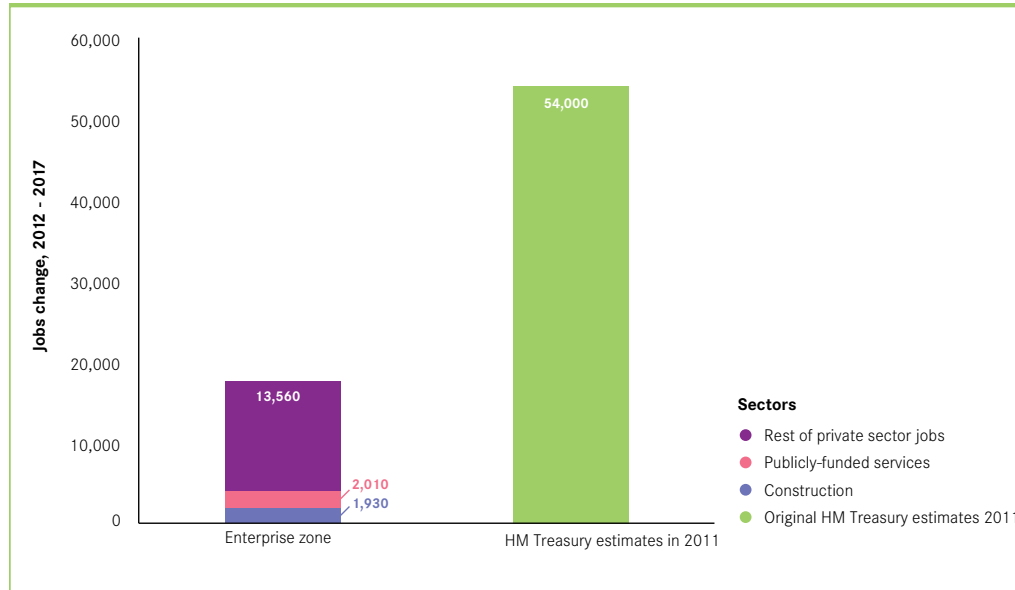
7 Tyler, P (1998), An Evaluation of the Isle of Dogs Enterprise Zone, London: The Stationery Office

8 Tyler, P (2012). Making Enterprise Zones Work: Lessons from Previous Enterprise Zone Policy in the United Kingdom. Available at: <http://www.landecon.cam.ac.uk/directory/professor-pete-tyler>

## Jobs growth has been underwhelming

Back in 2011 when the new round of zones was announced, the Treasury predicted that this policy would create up to 54,000 jobs by 2015.<sup>9</sup> But job creation has fallen well short of this target. As Figure 2 shows, in 2017 there were 17,500 more jobs in the 24 zones than in 2012 (the year in which they became operational). Even if the entire increase is attributed to the enterprise zone policy alone, this would still be less than a third of what the Treasury initially predicted.

**Figure 2: Jobs change in enterprise zones, by selected sectors, 2012-2017**



Source: ONS Business Structure Database 2017

Making further adjustments reduces this number still further. Around 2,000 jobs were in publicly-funded activities,<sup>10</sup> so do not count towards the original goal of creating private sector jobs. And nearly 2,000 were construction jobs, which are likely to have been only temporary. Removing both of these categories reduces the total to 13,560.

### Box 3: Jobs growth in individual zones

There has been much variation across the zones in terms of the jobs created. As Figure 3 shows, the zone in Bristol and Bath tops the list, with over 5,000 jobs created. This was followed by zones in Liverpool and Birmingham. The majority of these zones are located in city centres that have performed well in recent years, and so build upon this success.<sup>11</sup> Meanwhile, Humber and Lancashire, identified for zones because of the closure of large employers in the area, had fewer jobs in 2017 than 2012.

<sup>9</sup> Ward, M (2016), Briefing Paper: Enterprise Zones. House of Commons Library

<sup>10</sup> Those in the sectors of public administration and defence, education and health.

<sup>11</sup> McDonald R and Swinney P (2019) City centres: Past, present and future, London: Centre for Cities

**Figure 3: Job creation in different enterprise zones, 2012-17**

Rank	Enterprise zone	Change in employment
1	Bristol Temple Quarter and Bath and Somer Valley	5,493
2	Mersey Waters	3,019
3	Birmingham city centre	2,680
4	Northampton Waterside	2,084
5	Science Vale - Oxfordshire	1,137
6	Harlow	1,057
7	Sheffield City Region	817
8	Tees Valley	777
9	London Royal Docks	741
10	Aire Valley Leeds	370
11	Discovery Park - Sandwich	328
12	New Anglia	269
13	Black Country	222
14	Nottingham D2N2	221
15	Sci-Tech Daresbury	159
16	Hereford	146
17	Manchester Airport City	145
18	Cornwall Newquay Aerohub	136
19	Solent	110
20	North Eastern	63
21	Humber	-320
22	Lancashire	-2,347

Source: ONS Business Structure Database 2017. Note: Data for MIRA Technology Park and Alconbury Campus has been excluded because of data disclosure issues as a result of only small changes in jobs over the period.

### The jobs created were mainly in low-skilled local services activities

The goal of any economic policy should be to attract higher-skilled exporting businesses. This is because:

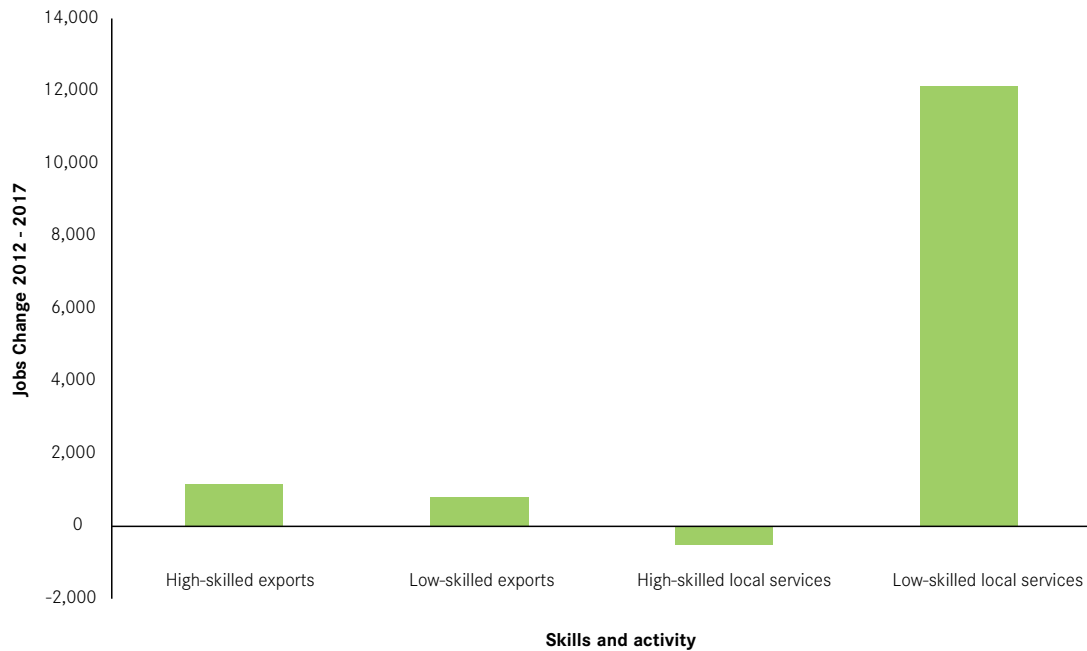
1. These businesses tend to be more productive and are the drivers of productivity growth, so increasing wages and standards of living in an area.<sup>12</sup>
2. They sell beyond the area they are based in, so these companies bring money into a local economy, which in turn creates jobs in businesses that sell to the local market only, such as restaurants, coffee shops and gyms.<sup>13</sup>

<sup>12</sup> Swinney P (2018) The wrong tail? London: Centre for Cities

<sup>13</sup> Magrini E (2019), Opportunity Knocks? Economic outcomes for low-skilled people in cities, London: Centre for Cities

The aim of enterprise zones should be no different if they want to improve the performance of the wider economies in which they are based. Breaking down the jobs data by sector and skill level,<sup>14</sup> shows that the jobs were skewed very heavily towards low-skilled activities in local services such as retail (see Figure 4).

**Figure 4: Jobs change by skill and activity, 2012-2017**



Source: ONS Business Structure Database. Note: This data excludes Construction and publicly-funded services.

### Displacement accounted for over a third of the 'new' jobs

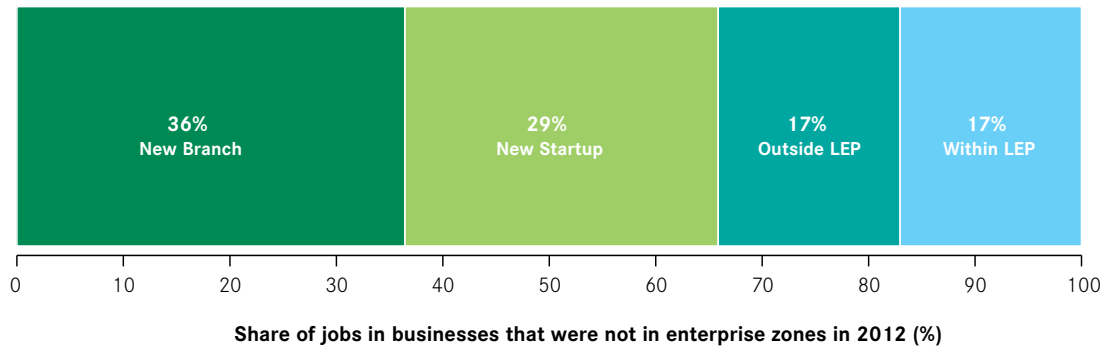
Looking at the history of businesses that located in enterprise zones after their creation gives an indication as to how much of the jobs growth was in 'new' jobs and how much was a result of jobs being moved from elsewhere. Figure 5 splits new businesses in the zones into two groups – businesses that did not exist before 2012, and businesses that existed elsewhere. It shows that, of all the new jobs in the zones, 17 per cent were in businesses that moved from elsewhere in the same LEP, and 17 per cent were in businesses that moved from elsewhere in Britain.

This is likely to be an underestimate. Splitting new businesses into new start-ups and new branches of existing businesses shows that a further 36 per cent of jobs were in a branch of an existing business. While the data does not show whether the jobs in branches were new positions or were transferred from elsewhere, it is likely that at least some of these jobs would have transferred and so displacement is likely to have been even larger.

<sup>14</sup> This is based on SIC codes, see Appendix for more details.

A further level of displacement could play out through the displacement of demand. For local services businesses, the opening of a new business within the zone (for example a coffee shop) could come at the cost of taking business away from a local services business elsewhere in the locality. Without increasing the overall level of demand through attracting in more export-focused businesses, demand will instead be shuffled around.

**Figure 5: Breakdown of ‘new’ jobs in enterprise zones in 2017 by origin of business**



Source: ONS Business Structure Databases. Note: This data excludes Construction and publicly-funded services.

#### Box 4: Is displacement always bad?

Displacement is not necessarily a bad thing for an economy. Concentrating dispersed economic activity in one place can improve the productivity of the displaced businesses for three main reasons:

- It lowers the costs of public service provision such as transport, broadband and services to businesses.<sup>15</sup>
- It increases the number of potential workers that a business can recruit.
- It makes it easier for businesses to share ideas and information, a process known as ‘knowledge spillovers’.

It is for these reasons that knowledge-based business services have increasingly been locating in successful city centres in recent years, and any policy which facilitates the same clustering in weaker city centres could lead to an improvement in their productivity even if there is no increase in the number of jobs.<sup>16</sup>

<sup>15</sup> What Works Centre for Local Economic Growth (2016) Evidence Review 10: Area Based Initiatives. London: What Works Centre for Local Economic Growth.

<sup>16</sup> McDonald R (2019) City centres: past, present and future, London: Centre for Cities.

## Enterprise zones in city centres performed better than zones in other areas

The performance of enterprise zones varied according to location. Grouping the location of zones into city centres, suburbs, areas around cities and deeper rural locations<sup>17</sup> shows that while all groups created jobs, city centre zones performed much more strongly than elsewhere. City centre zones accounted for 63 per cent of the jobs growth (8,520 jobs) despite covering just 6 per cent of the total land covered by the zones overall.

**Figure 6: Jobs and Firms change, by location, 2012-2017**

Area	Jobs change	Number of firms	Share of total jobs
City centre	8,521	349	63%
Suburb	1,740	218	13%
Area around city	2,338	88	17%
Rural	965	95	7%
Total	13,564	750	-

Source: ONS Business Structure Database. Note: This data excludes Construction and publicly-funded services.

The question remains however as to whether these jobs would have been created without the zones in place. This is particularly an issue within city centre zones, where there is already a great deal of economic activity, as opposed to the development of a previously unoccupied site on the edge of town, for example.

The data suggests that they may well have. As a group, the zones in a city centre location did not perform any better than city centres as a whole across Britain over the period – both saw their total number of jobs increase by 22 per cent between 2012 and 2017. This means that, even in the areas where they seemingly had the greatest success, this may have been reflective of wider trends rather than being a result of the policy.

A counter-argument to this is that the enterprise zones were able to bring land back into use that the private sector alone would not have done, and so addressed a market failure in the commercial property market. This was a key argument for the introduction of the first round of the zones in the 1980s and 1990s. While this may have been the case, an enterprise zone is just one of a number of ways of addressing this problem.

<sup>17</sup> Following previous methodology by Centre for Cities, city centres are defined as a circle from a central point of a city centre. For small and medium sized cities (those with populations under 550,000) the radius of this circle is 0.5 miles. For large cities it is 0.8 miles and for London it is two miles. Suburbs are defined as the remainder of the city. Areas around cities are defined according to the average distance a commuter travels into a city, and varies from city to city. For Bristol, for example, its surrounding area is 45 km, while for Ipswich it is 22 km. Rural accounts for the remainder of Britain.



## Other benefits of enterprise zones

While the stated goal of enterprise zones was job creation, the ability of LEPs to borrow against future business rates increases to invest in property, public realm and infrastructure has been of benefit to some areas. As Box 5 shows, this has been the case in Birmingham city centre enterprise zone in particular, with the LEP reporting that over £100 million has been borrowed to fund infrastructure improvements in the zone.

### Box 5: Wider benefits of enterprise zones in action

#### Birmingham city centre<sup>18</sup>

The **Birmingham city centre enterprise zone** had the third highest job creation of all the 2012 zones (2,680 jobs). But the enterprise zone has been used not only to create jobs but as part of the city's Big City Plan to improve infrastructure and the commercial property offer in the city centre. By prudentially borrowing against the future growth of business rates, so far **£109 million of capital expenditure has been raised to fund redevelopment**. This has given the council the possibility to conduct public-realm work, such as the Ladywell Walk and extending the metro.

#### Science Vale Oxfordshire<sup>19</sup>

Science Vale Oxfordshire had the fifth highest job growth over this period and the highest growth in high-skilled exporters.

The LEP associates this success with two factors. Firstly, the zone is **well connected with good transport links to Oxford, Heathrow and London** and this means businesses that decide to locate in this area have access to a wider pool of skilled workers. Secondly, the enterprise zone is building on the existing success of the area. Milton Park and Harwell in particular **already had a high concentration of knowledge-intensive businesses**. This raises questions as to whether the growth would have occurred without enterprise zone status.

The LEP views enterprise zone status as delivering two main benefits. Firstly, the ability to borrow against future business growth revenue has enabled the LEP to invest in improving transport links such as the A34. Secondly, they see the awarding of the enterprise zone as raising the profile of the area to international investors.

<sup>18</sup> This is based on data provided by Birmingham City Council and interviews with local officers.

<sup>19</sup> This is based on interviews with Oxfordshire LEP.

That said, the ability to use tax increment financing (TIF) to forward fund investment does not require an enterprise zone. This policy could be granted to a LEP or local authority without the need for enterprise zone status. This is something that the Government should consider rolling out to more LEPs based on the outcome of the use of this tool within the enterprise zones.

## Conclusions

As with the original round of enterprise zones, the number of jobs created in the first five years of existing round of zones has underperformed expectations:

- By 2017, the total new jobs were only around one quarter of the estimates produced by the Treasury in 2011.
- At least one third of the jobs created have come as a result of the move of businesses from elsewhere, rather than the creation of new posts in new businesses.
- The nature of the jobs created has also been overwhelmingly low skilled, meaning that the zones have done little to attract in higher-skilled economic activity that would help to change the economic make-up of the economies into which they have been placed.

Even if the goal had been to redistribute jobs, rather than grow the total number of them, then the zones have struggled on this measure. The zones that were created in Lancashire and the Humber in response to large job losses have seen job losses. Meanwhile, the top-performing zones have been in the already successful city centres of Bristol, Birmingham and Liverpool.

On a more positive note, the more flexible planning rules within zones, and the opportunity to use TIF, allowing local government to borrow against the future increase in business rates as a result of investment today, does seem to have brought benefit, particularly in Birmingham city centre's ongoing redevelopment. But neither of these policies is exclusive to enterprise zone status. It is within the power of local authorities to remove planning restrictions, while central government could allow any authority to use TIF if it so chose. Reflecting on the success or otherwise of how this tool has been used in the zones, the Government should consider extending its use to other parts of the country.

These findings should lead to greater caution over the creation of enterprise zones or any other area-based initiative, such as the free ports that have been suggested after the UK leaves the EU. Zones offering tax incentives or tariff reductions to relocate are likely to move activity around the locality or in from elsewhere in the country, rather than create new activity. And they are unlikely to attract in higher-skilled jobs that would change the fortunes of an economy.

Instead, those places that have struggled to attract higher-skilled businesses into their economies should address the barriers as to why this is the case. The availability of skilled workers is likely to be a key reason. A high-skilled business is going to invest in a place where it can employ the workers it needs, and areas that can not offer this benefit should focus primarily on improving skills.

## Appendix

This research has defined exporters and local services firms using Standard Industrial Classification (SIC) 2007 codes. This means it is not identifying actual exporters, but looking at businesses in sectors that have potential to sell to a market beyond their local area. Below is a full list of how each sector has been allocated.

### High-skilled exporters

This report classified high-skilled exporters as those industries NESTA identified as highly creative and high technology sectors in its report 'The Geography of the UK's creative and high-tech economies' and all other industries that require degree-level qualifications. These are:

- 6 Extraction of crude petroleum oil and natural gas
- 9.1 Support activities for petroleum and natural gas extraction
- 18.2 Reproduction of recorded media
- 19.2 Manufacture of refined petroleum products
- 20.13 Manufacture of other inorganic basic chemicals
- 20.14 Manufacture of other organic basic chemicals
- 20.59 Manufacture of other chemical products n.e.c.
- 21 Manufacture of basic pharmaceutical products and pharmaceutical preparations
- 24.52 Casting of steel
- 26.11 Manufacture of electronic components
- 26.2 Manufacture of computers and peripheral equipment
- 26.3 Manufacture of communication equipment
- 26.4 Manufacture of consumer electronics
- 26.51 Manufacture of instruments and appliances for measuring, testing and navigation
- 26.6 Manufacture of irradiation, electromedical and electrotherapeutic equipment
- 26.7 Manufacture of optical instruments and photographic equipment
- 27.3 Manufacture of wiring and wiring devices
- 27.52 Manufacture of non-electric domestic appliances
- 28.11 Manufacture of engines and turbines, except aircraft, vehicle and cycle engines
- 28.94 Manufacture of machinery for textile, apparel and leather production
- 30.3 Manufacture of air and spacecraft and related machinery
- 35.11 Production of electricity
- 59 Motion picture, video and television programme production, sound recording and music publishing activities
- 60 Programming and broadcasting activities
- 61.1 Wired telecommunications activities
- 61.2 Wireless telecommunications activities
- 61.9 Other telecommunications activities
- 62 Computer programming, consultancy and related activities
- 63 Information service activities
- 64 Financial service activities, except insurance and pension funding

- 65 Insurance, reinsurance and pension funding, except compulsory social security
- 66 Activities auxiliary to financial services and insurance activities
- 70 Activities of head offices; management consultancy activities
- 72 Scientific research and development
- 73 Advertising and market research
- 74.1 Specialised design activities
- 74.3 Translation and interpretation activities
- 74.9 Other professional, scientific and technical activities n.e.c.

### **Low-skilled exporters**

Low-skilled exporters are all those businesses in industries that did not fall into the high-skilled exporters category. There are:

- 1 Crop and animal production, hunting and related service activities
- 2 Forestry and logging
- 3 Fishing and aquaculture
- 5 Mining of coal and lignite
- 7 Mining of metal ores
- 8 Other mining and quarrying
- 9.9 Support activities for other mining and quarrying
- 10 Manufacture of food products
- 11 Manufacture of beverages
- 12 Manufacture of tobacco products
- 13 Manufacture of textiles
- 14 Manufacture of wearing apparel
- 15 Manufacture of leather and related products
- 16 Manufacture of wood and of products of wood and cork, except furniture;  
manufacture of articles of straw and plaiting materials
- 17 Manufacture of paper and paper products
- 18.1 Printing and service activities related to printing
- 19.1 Manufacture of coke oven products
- 20.11 Manufacture of industrial gases
- 20.12 Manufacture of dyes and pigments
- 20.15 Manufacture of fertilisers and nitrogen compounds
- 20.16 Manufacture of plastics in primary forms
- 20.17 Manufacture of synthetic rubber in primary forms
- 20.2 Manufacture of pesticides and other agrochemical products
- 20.3 Manufacture of paints, varnishes and similar coatings, printing ink and mastics
- 20.4 Manufacture of soap and detergents, cleaning and polishing preparations,  
perfumes and toilet preparations
- 20.51 Manufacture of explosives
- 20.52 Manufacture of glues
- 20.53 Manufacture of essential oils
- 20.6 Manufacture of man-made fibres
- 22 Manufacture of rubber and plastic products
- 23 Manufacture of other non-metallic mineral products

- 24.1 Manufacture of basic iron and steel and of ferro-alloys
- 24.2 Manufacture of tubes, pipes, hollow profiles and related fittings, of steel
- 24.3 Manufacture of other products of first processing of steel
- 24.4 Manufacture of basic precious and other non-ferrous metals
- 24.51 Casting of iron
- 24.53 Casting of light metals
- 24.54 Casting of other non-ferrous metals
- 25 Manufacture of fabricated metal products, except machinery and equipment
- 26.12 Manufacture of loaded electronic boards
- 26.52 Manufacture of watches and clocks
- 26.8 Manufacture of magnetic and optical media
- 27.1 Manufacture of electric motors, generators, transformers and electricity distribution and control apparatus
- 27.2 Manufacture of batteries and accumulators
- 27.4 Manufacture of electric lighting equipment
- 27.51 Manufacture of electric domestic appliances
- 27.9 Manufacture of other electrical equipment
- 28.12 Manufacture of fluid power equipment
- 28.13 Manufacture of other pumps and compressors
- 28.14 Manufacture of other taps and valves
- 28.15 Manufacture of bearings, gears, gearing and driving elements
- 28.2 Manufacture of other general-purpose machinery
- 28.3 Manufacture of agricultural and forestry machinery
- 28.4 Manufacture of metal forming machinery and machine tools
- 28.91 Manufacture of machinery for metallurgy
- 28.92 Manufacture of machinery for mining, quarrying and construction
- 28.93 Manufacture of machinery for food, beverage and tobacco processing
- 28.95 Manufacture of machinery for paper and paperboard production
- 28.96 Manufacture of plastics and rubber machinery
- 28.99 Manufacture of other special-purpose machinery n.e.c.
- 29 Manufacture of motor vehicles
- 30.1 Building of ships and boats
- 30.2 Manufacture of railway locomotives and rolling stock
- 30.4 Manufacture of military fighting vehicles
- 30.9 Manufacture of transport equipment n.e.c.
- 31 Manufacture of furniture
- 32 Other manufacturing
- 35.12 Transmission of electricity
- 35.13 Distribution of electricity
- 35.14 Trade of electricity
- 35.2 Manufacture of gas; distribution of gaseous fuels through mains
- 35.3 Steam and air conditioning supply
- 51 Air transport
- 52 Warehousing and support activities for transportation
- 61.3 Satellite telecommunications activities
- 74.2 Photographic activities

## High-skilled local services

- 33.16 Repair and maintenance of aircraft and spacecraft
- 42.2 Construction of utility projects
- 42.99 Construction of other civil engineering projects n.e.c.
- 49.2 Freight rail transport
- 49.5 Transport via pipeline
- 58.11 Book publishing
- 58.2 Software publishing
- 69 Legal and accounting activities
- 71 Architectural and engineering activities; technical testing and analysis
- 75 Veterinary activities
- 78 Employment activities
- 80.3 Investigation activities
- 84.1 Administration of the State and the economic and social policy of the community
- 84.21 Foreign affairs
- 84.22 Defence activities
- 84.23 Justice and judicial activities
- 84.24 Public order and safety activities
- 84.3 Compulsory social security activities
- 85.1 Pre-primary education
- 85.2 Primary education
- 85.3 Secondary education
- 85.4 Higher education
- 85.52 Cultural education
- 85.6 Educational support activities
- 86 Human health activities
- 87.1 Residential nursing care activities
- 90 Creative, arts and entertainment activities
- 91.04 Operation of arts facilities
- 94 Activities of membership organisations
- 95.1 Repair of computers and communication equipment

## Low-skilled local services

- 33.11 Repair of fabricated metal products
- 33.12 Manufacture of jewellery and related articles
- 33.13 Repair of electronic and optical equipment
- 33.14 Repair of electrical equipment
- 33.15 Repair and maintenance of ships and boats
- 33.17 Repair and maintenance of other transport equipment
- 33.19 Repair of other equipment
- 33.2 Installation of industrial machinery and equipment
- 36 Electricity, gas, steam and air conditioning supply
- 37 Water collection, treatment and supply
- 38 Waste collection, treatment and disposal activities; materials recovery

- 39 Remediation activities and other waste management services.
- 41 Construction of buildings
- 42.1 Construction of roads and railways
- 42.91 Construction of water projects
- 43 Specialised construction activities
- 45 Wholesale and retail trade and repair of motor vehicles and motorcycles
- 46 Wholesale trade, except of motor vehicles and motorcycles
- 47 Retail trade, except of motor vehicles and motorcycles
- 49.1 Passenger rail transport, interurban
- 49.3 Other passenger land transport
- 49.4 Freight transport by road and removal services
- 50 Water transport
- 53 Postal and courier activities
- 55 Accommodation
- 56 Food and beverage service activities
- 58.12 Publishing of directories and mailing lists
- 58.13 Publishing of newspapers
- 58.14 Motion picture projection activities
- 58.19 Other publishing activities
- 68 Real estate activities
- 77 Rental and leasing activities
- 79 Travel agency, tour operator and other reservation service and related activities
- 80.1 Private security activities
- 80.2 Security systems service activities
- 81 Services to buildings and landscape activities
- 82 Office administrative, office support and other business support activities
- 84.25 Fire and fire services activities
- 85.51 Sports and recreation education
- 85.53 Driving school activities
- 85.59 Other education n.e.c.
- 87.2 Residential care activities for learning disabilities, mental health and substance abuse
- 87.3 Residential care activities for the elderly and disabled
- 87.9 Other residential care activities
- 88 Social work activities without accommodation
- 91.01 Library and archive activities
- 91.02 Museum activities
- 92 Gambling and betting activities
- 93 Sports activities and amusement and recreation activities
- 95.2 Repair of personal and household goods
- 96 Other personal service activities
- 97 Activities of households as employers of domestic personnel
- 98 Undifferentiated goods- and services-producing activities of private households for own use
- 99 Activities of extraterritorial organisations and bodies

## Methodology

This report uses data from the ONS' Business Structure Database to identify changes in the number of businesses and jobs in enterprise zones. It analyses the zones as defined in 2011, using definitions provided by the Ministry for Housing, Communities and Local Government.

This means that any extensions of the original zones or new zones created after 2011 are not included in the analysis. This is in order to allow a fair assessment of sites for a full five years after their creation.



## Disclaimer

This work was produced using statistical data from ONS. The use of the ONS statistical data in this work does not imply the endorsement of the ONS in relation to the interpretation or analysis of the statistical data. This work uses research datasets which may not exactly reproduce National Statistics aggregates.

## Contact

Paul Swinney, Director of Policy and Research  
[p.swinney@centreforcities.org](mailto:p.swinney@centreforcities.org) | 020 7803 4305

## About Centre for Cities

Centre for Cities is a research and policy institute, dedicated to improving the economic success of UK cities.

We are a charity that works with cities, business and Whitehall to develop and implement policy that supports the performance of urban economies. We do this through impartial research and knowledge exchange.

For more information, please visit [www.centreforcities.org/about](http://www.centreforcities.org/about)

## Partnerships

Centre for Cities is always keen to work in partnership with like-minded organisations who share our commitment to helping cities to thrive, and supporting policy makers to achieve that aim.

As a registered charity (no. 1119841) we rely on external support to deliver our programme of quality research and events.

To find out more please visit: [www.centreforcities.org/about/partnership](http://www.centreforcities.org/about/partnership)

© Centre for Cities 2019

**Centre for Cities**

Second Floor

9 Holyrood Street

London SE1 9EL

**[www.centreforcities.org](http://www.centreforcities.org)**

Centre for Cities is a registered charity (No 1119841) and a company limited by guarantee registered in England (No 6215397)