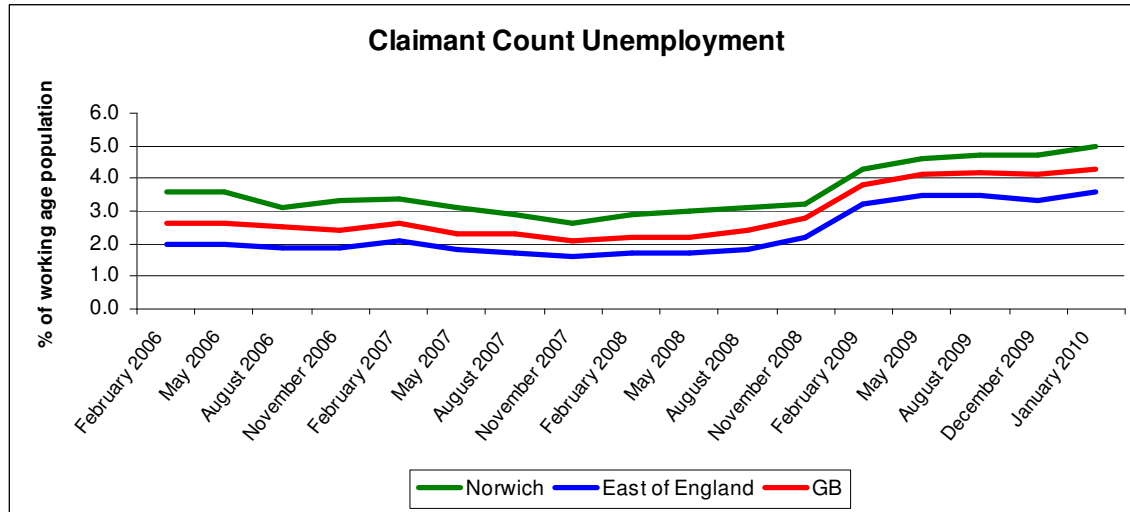


Norwich Monthly Economic Barometer February 2010

Figure 1 below shows that the Claimant Count unemployment rate in the Norwich City Council area remains above the national and regional rates, the disparity between them has narrowed since November 2008, but is beginning to widen again.

Figure 1



	January 2009		December 2009		January 2010		Change on previous month	Change on previous year
Great Britain	1,282,645	3.4%	1,567,005	4.1%	1,654,025	4.3%	+ 0.2%	+ 0.9%
East of England	95,475	2.7%	116,616	3.3%	124,473	3.6%	+ 0.3%	+ 0.9%
Norwich City Council areaⁱ	3,566	3.9%	4,360	4.7%	4,639	5.0%	+ 0.3%	+ 1.1%
Norwich Urban Areaⁱⁱ	4,465	3.3%	5,389	4.0%	5,792	4.3%	+ 0.3%	+ 1.0%
Bowthorpe	309	3.9%	364	4.6%	366	4.6%	0	+ 0.7%
Catton Grove	374	5.4%	450	6.4%	483	6.9%	+ 0.5%	+ 1.5%
Crome	241	4.2%	278	4.9%	306	5.4%	+ 0.5%	+ 1.2%
Eaton	80	1.6%	78	1.5%	92	1.8%	+ 0.3%	+ 0.2%
Lakenham	232	3.9%	335	5.7%	360	6.1%	+ 0.4%	+ 2.2%
Mancroft	433	6.4%	510	7.6%	572	8.5%	+ 0.9%	+ 2.1%
Mile Cross	430	6.1%	504	7.1%	520	7.3%	+ 0.2%	+ 1.2%
Nelson	159	2.1%	179	2.4%	184	2.5%	+ 0.1%	+ 0.4%
Sewell	249	3.1%	314	4.0%	329	4.2%	+ 0.2%	+ 1.1%
Thorpe Hamlet	346	5.0%	442	6.4%	452	6.5%	+ 0.1%	+ 1.5%
Town Close	237	3.4%	289	4.1%	322	4.6%	+ 0.5%	+ 1.2%
University	132	1.8%	187	2.6%	194	2.7%	+ 0.1%	+ 0.9%
Wensum	344	4.6%	430	5.7%	459	6.1%	+ 0.4%	+ 1.5%

Table 1 on the previous page shows that, over the last 12 months, claimant count unemployment in Norwich has grown at a slightly higher rate than for Gt. Britain and the East of England. Claimant count unemployment in Catton Grove, Lakenham, Mancroft, Mile Cross, Thorpe Hamlet and Wensum wards has grown at a faster rate than the Norwich average.

The rate of unemployment has increased, over the last month, in Norwich and at the regional and national level. Over the same period, unemployment increased at a faster rate than the Norwich average in Catton Grove, Lakenham, Mancroft, Mile Cross, Thorpe Hamlet and Wensum wards.

Compared to previous recessions, claimant count unemployment in the current recession has remained lower – in January 1993, Norwich's claimant count unemployment rate stood at 10.4 per cent (GB 8.6 percent, East of England 7.6 per cent).

Gender: Around one-quarter of unemployment claimants in the Norwich City Council are women, giving a female unemployment rate of around 2.5 per cent (GB 2.4 percent, East of England 2.1 per cent) – this rate has fallen markedly since 1993 when it stood at 5 per cent (GB 4.1 percent, East of England 3.1 per cent).

The male claimant count unemployment rate is higher in Norwich, at 7.3 per cent, than the national and regional rates (GB 5.7 percent, East of England 4.6 per cent); records show that in January 1993 male unemployment rates in Norwich stood at 16.2 per cent compared to 12.8 percent nationally and 11.0 per cent in the East of England.

It is likely that Norwich's relatively high levels of male unemployment can be attributed to the steady loss of manufacturing jobs and the dominance of the service sector – 84.1 per cent of employees in Norwich work in the service sector compared to 75.6 per cent in the East of England and 76.2 per cent nationally.

Duration: Looking at the duration of claimant count unemployment claims, 19 per cent of claimants in Norwich have been unemployed for longer than 12 months compared to 14.2 per cent nationally and 13.5 per cent regionally.

Age and duration: Around 30 per cent of all unemployment claimants in the Norwich City Council area are aged between 18 to 24 years; this is similar to the proportion at the national level and slightly above that in the East of England. In Norwich, 3.2 per cent of these young people have been registered as unemployed for more than 12 months – much higher than the national and regional levels (1.3 per cent and 1.1 per cent).

At ward level, Bowthorpe, Lakenham, Nelson, University and Wensum have a proportion of claimants aged 18-24 years that is higher than the Norwich average. However, Mile Cross, Mancroft and Wensum have the highest *numbers* of claimants aged between 18-24 years.

At the other end of the scale, Norwich has a lower proportion of unemployment claimants aged 50 years and over (13.5 per cent) than at the national or regional levels (15.4 per cent and 17.2 per cent).

Usual occupation: Around 13 per cent of claimants in the Norwich City Council area state that they are usually employed in higher level occupationsⁱⁱⁱ. However, 46 per cent of claimants stated that their usual employment was in a lower level occupation^{iv}. It would appear then that lower level occupations have been adversely affected by unemployment – only 17 per cent of total employment in Norwich is based in lower level occupations whereas 50 per cent of total employment is based in higher level occupations^v

	January 2009	December 2009	January 2010	Change on last month	Change on last year
Great Britain	118,637	262,546	222,171	- 15%	+ 87%
East of England	10,004	24,172	20,140	- 17%	+ 101%
Norwich City Council	255	1,373	1,039	- 24%	+ 307%
Norwich Urban Area	491	1,714	1,228	- 28%	+249%

The figures given in Table 2 show that the number of vacancies notified to Jobcentre Plus has shown an incredible increase across both Norwich areas over the year compared to the regional and national levels. The number of vacancies notified to Jobcentre Plus fell across both Norwich areas compared to the previous month but the fall was smaller than that seen at the regional and national levels.

Norwich has a higher number of unfilled jobcentre vacancies per 10,000 working age population (124) than at the national (61) and regional (59) levels. This is a long-term trend in Norwich and reflects its significance as a regional service centre and the high ratio of jobs to working age residents.

	Number of claimants	Change on previous month
February 2009	16,417	+ 312 (+1.9%)
March 2009	16,531	+114 (+ 0.6%)
April 2009	16,831	+ 300 (+ 1.8%)
May 2009	16,924	+ 93 (+ 0.5%)
June 2009	17,029	+ 105 (+ 0.6%)
July 2009	17,085	+ 56 (+ 0.3%)
August 2009	17,163	+ 78 (+ 0.4%)
September 2009	18,017	+ 854 (+ 4.9%)
October 2009	18,174	+ 157 (+ 0.8%)
November 2009	18,402	+ 228 (+ 1.2%)
December 2009	18,503	+ 101 (+ 0.5%)
January 2010	18,508	+ 5 (+ 0.02%)

Housing Benefit is an income-related benefit designed to help people on low incomes pay for rented accommodation whether in or out of work. The number of Housing Benefit claimants in Norwich has increased by 13 percentage points since February 2009. Comparable national data is not available because of a time lag in data collection.

Table 4 Jobcentre Plus Notified Redundancies in Norwich since beginning of October 2008

Number made redundant	Sector	Occupations Affected
30	Boat Builders	Boat Building Trades
18	Business services	Architects
21	Car sales	Sales staff
338	Construction	Building Trades and Admin
42	Distribution	HGV drivers
39	Education	Admin
61	Engineering	Electricians, plant engineers and mechanics
814	Finance	Admin/IT technicians
40	Food processing	Operatives/ Café & Food Service
9	Haulage	HGV/Admin
40	Health and Life Science	Scientists
4	Housing	HR/Admin
44	Fruit wholesaler	Sales, Admin, Drivers & Warehouse staff
172	Manufacturing	Operatives and joiners
78	Media	Admin and production staff
233	Print and publishing	Print and sales staff
40	Public services	Admin
159	Transport	Catering, Admin and Sales
255	Retail	Sales
65	Service Industry	Designers, Sales staff and others
137	Tourism & Leisure	Admin, Pilots, Cabin Crew, Engineers

Notified redundancy data should be viewed as indicative and not inclusive of all cases. It captures data which has been reported officially to Jobcentre Plus by companies and organisations or otherwise identified by Jobcentre Plus locally. The data excludes those employees affected by short-time working or temporary stoppages. Jobcentre Plus is notified when any company in the area intends to make 20 or more redundancies, therefore smaller-scale redundancies may not be picked up. Anecdotal evidence suggests that a number of redundancies have taken place in the business and professional services sector that have not been picked up by Jobcentre Plus. Overall the number of redundancies notified to Jobcentre Plus appears to be slowing. Notified redundancies in February were in the Haulage, Finance and Public Services sectors.

Table 5 City Centre Shop Vacancy Rate				
	Total shop units	Trading	Vacant	Construction
January 2010	1,079	948 (87.9%)	126 (11.6%)	5 (0.5%)
July 2009	1,086	955 (87.9%)	128 (11.7%)	3 (0.3%)

According to the latest survey data undertaken in January 2010 by Norwich City Council for the Shopping Floorspace Monitor, since July 2007 the number of vacant shop units in the city Centre has reduced by 0.1% to 11.7%. This compares to a pre-recession (July 2007) vacancy rate of 8.8%. Although vacancy rates have increased within the recession, Norwich remains the primary shopping destination in the East of England and vacancy rates are lower than comparable national cities

Week	1	2	3	4
Gentleman's Walk	288,531	106,851	135,516	141,777
Rampant Horse St Crossing	228,329	101,837	165,784	166,874
St Andrew's Street	15,615	16,504	19,463	20,580

Accurately measuring the footfall within the city centre is one of the key ways in which its health can be monitored, as well as measuring the impact of any events or promotions that are carried out by the Council or its partners. Compared to the same time last year, footfall figures for January 2010 were down by almost 14 percentage points. This was most probably the result of the very cold, snowy conditions which continued from the second half of December until the middle of January. During this time there were widespread delays to road, rail and air travel, school closures, interruptions to power supplies, numerous accidents as well as general disruption to businesses and everyday life. It was the coldest January over the UK since 1987.

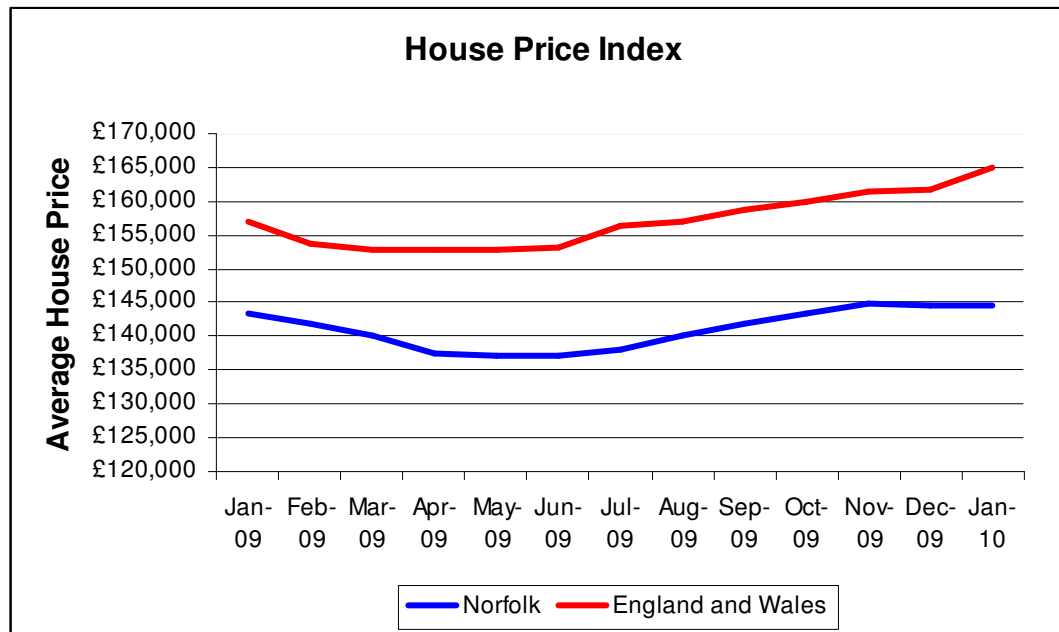
	Norwich	East of England	Gt. Britain
Hourly pay - workplace			
Full-time workers	£12.11	£11.83	£12.38
Male full-time workers	£13.34	£12.50	£13.02
Female full-time workers	£10.70	£10.73	£11.41
Hourly pay - resident			
Full-time workers	£11.08	£12.79	£12.40
Male full-time workers	£11.61	£13.67	£13.03
Female full-time workers	£10.41	£11.40	£11.42

Table 7 shows that median^{vi} resident earnings for full-time workers in Norwich are 13 per cent lower than regional median earnings and 11 per cent lower than national median earnings. However, median workplace earnings (local residents and in-commuters) for full-time workers in Norwich are 2 per cent higher than for the East of England and just 2 per cent lower than for Gt. Britain as a whole.

Median workplace earnings for full-time workers in Norwich are 9 per cent higher than resident earnings. The gap is even wider for male full-time workers with workplace earnings almost 15 per cent higher than resident earnings. This highlights the impact that commuting has on Norwich - the difference in workplace and residents' wages suggests that many well paid jobs in Norwich are taken by workers living outside the local authority area. As would be expected, resident earnings for the East of England are higher than workplace earnings reflecting the impact of out-commuting to London.

A gender gap still exists - the differential for median workplace earnings is bigger in Norwich than regionally and nationally. In Norwich a male full-time worker can expect to earn almost 20 per cent more than a female full-time worker (regionally 16 per cent, nationally 14 per cent). Male resident earnings in Norwich are almost 12 per cent higher than female resident earnings (regionally 20 per cent, nationally 14 per cent). Given the large difference between male resident and workplace median earnings in Norwich, reported above, it is interesting that the difference between workplace and resident median earnings for a female full-time worker is less than 3 per cent.

Figure 2



HM Land Registry's House Price Index data for January 2010 shows an annual price change for England and Wales of 5.2 per cent, the annual price change for Norfolk^{vii} was somewhat lower at 1 per cent. This is the second month in a row in which the figure for England and Wales has been positive. Norfolk house prices showed a marginal fall for the second month in a row.

Good News Stories

- *Norwich has been shortlisted to become the first ever UK City of Culture with the potential for a £200m boost for the local economy. Norwich was one of only four cities (Birmingham, Sheffield and Derry/Londonderry) in the running for the prestigious title which would provide a major boost for tourism and attract new investment to the city.*
- *Businesses in the East of England are predicting turnover will grow by 4.2% over the coming year and firms in the region plan to invest more as the economy improves, according to a survey from the Institute of Chartered Accountants in England & Wales. Its business monitor index reported a record-high confidence score of 33.3 in the first quarter, continuing a positive trend seen in the region for five quarters running. Demand is picking up this quarter with one in four firms (25%) reporting it to be less of a challenge to their performance than a year ago.*
- *A £5 million funding package from the East of England Development Agency (EEDA), the Greater Norwich Development Partnership and Norwich Research Park (NRP) partners will boost the city's world-class reputation as one of the country's leading centres for scientific research. The money to extend the innovation and incubation facilities is the first stage of a plan to create up to 5,000 new jobs in science and scientific research at the NRP by 2021.*
- *Construction work has begun on a £2.4m extension to Hethel Engineering Centre to make space for 11 new start-up businesses. The new extension will create office and workshop space for 11 new businesses and improve the Centre's skills training facilities. The beginning of construction work coincided with a decision by*

- the East of England Development Agency (EEDA) to grant the centre a further £240,000 to create a Direct Digital Manufacturing (DDM) facility - which will provide communal facilities and access to high-quality machinery for start-up companies and freeing them of the need to spend early-stage capital on buying major equipment*
- *National Express East Anglia is to introduce Wi-Fi facilities for passengers on its Norwich – Ipswich – Colchester - London intercity services this year after securing a grant from EEDA. The plan is to charge for Wi-Fi in standard class and make it free in first class.*
 - *Infrastructure firm May Gurney has won two new long-term framework contracts with Wessex Water under its AMP5 programme, with a combined value of up to £65 million over a period of 5 years. Further to this, May Gurney continued its expansion in the water industry by securing contracts worth £120m from Anglian Water. More than 95 per cent of the firm's business comes from long-term contracts in the public and regulated sectors, with more than £850m in new contracts, expansions and extensions secured in the current financial year.*
 - *Norwich-based law firm Howes Percival LLP has advised document archiving and storage specialist, Anglian Archives on the acquisition of the freehold of new premises on the City Trading Estate in Norwich which has expanded the company's storage capacity in the city. Anglian Archives has bought the freehold of three properties on the City Trading Estate: 53 Barker Street, 18 and 20 Paddock Street.*
 - *A flagship Norwich store is to get a major revamp, boosting its size by more than a third and creating dozens of jobs in the city. The Marks and Spencer store on the corner of Rampant Horse Street and St. Stephen's currently employs 347 staff, but the workforce could increase to about 500 by the end of next year, if the plans go ahead.*
 - *Validus, a financial services firm, has doubled its workforce in the last 12 months and is planning to double turnover this year. Validus specialises in managing credit hire arrangements for the insurance industry processing claims for costs from companies that provide temporary cars for drivers after road accidents. The firm has developed a unique computer software system to examine the accuracy of the paperwork. Validus has moved to new offices in Paston House in Princes Street, Norwich*
 - *A £4.2m project to build 40 flats for young homeless people in Norwich city centre has been given permission. Last July, the YMCA Norfolk board gave the go-ahead to explore and redevelop the back of the current YMCA accommodation on St. Giles Street. The development will see part of the current buildings on the Bethel Street side demolished, leaving the frontage on St. Giles intact.*
 - *D & F McCarthy's new food hub distribution facility on the Broadland Business Park is close to fruition. Built with help from NatWest, it will provide 4000 sq m of new space, quadrupling capacity and replacing the firm's existing premises in the city centre. The firm has a turnover approaching £10m.*
 - *A city car park, closed four months ago, has re-opened under the management of Norwich-based RCP The 570-space multi-storey car park at Anglia Square closed in October due to the expiry of previous tenant NCP's lease and long-term plans for a major overhaul of the centre.*
 - *A former City College Norwich student has made her mark on the London Fashion Week catwalk after coming second in a national competition. Alice-Jane*

Hutton was chosen from over 100 entries to showcase her designs in the final of the 2010 F.A.D. Competition alongside thirteen other talented designers.

*Contact: Sharon Quantrell, Economic Development Officer (Projects and Policy)
Norwich City Council, Tel: 01603 212457, e-mail:sharon.quantrell@norwich.gov.uk*

Appendix

Data sources:

Figure 1 – Claimant count – NOMIS, Crown copyright

Figure 2 – HM Land Registry, Crown copyright

Table 1 – Claimant count – NOMIS, Crown copyright

Table 2 – Jobcentre Plus notified vacancies - NOMIS, Crown copyright

Table 3 – Norwich City Council

Table 4 - Jobcentre Plus

Table 5 – Norwich City Council

Table 6 - Norwich City Centre Partnership

Table 7 – Annual Survey Hours and Earnings 2009 - NOMIS, Crown copyright

ⁱ The Norwich City Council area comprises the following wards: Bowthorpe, Catton Grove, Crome, Eaton, Lakenham, Mancroft, Mile Cross, Nelson, Sewell, Thorpe Hamlet, Town Close, University, Wensum

ⁱⁱ The Norwich Urban Area covers the built-up area and comprises the following wards: Drayton North, Drayton South, Hellesdon North West, Hellesdon South East, Old Catton and Sprowston West, Sprowston Central, Sprowston East, Taverham North, Taverham South, Thorpe St Andrew North West, Thorpe St Andrew South East, Bowthorpe, Catton Grove, Crome, Eaton, Lakenham, Mancroft, Mile Cross, Nelson, Sewell, Thorpe Hamlet, Town Close, University, Wensum, Cringleford, New Costessey, Old Costessey, Stoke Holy Cross

ⁱⁱⁱ Managers and Senior Officials, Professional Occupations, Associate Professional and Technical Occupations

^{iv} Process, Plant and Machine Operatives and Elementary Occupations

^v ONS Annual Population Survey April 2008 to March 2009

^{vi} The median divides the earnings distribution into two equal parts with one-half of the cases falling below the median and one-half above the median

^{vii} House Price data no longer available at local authority district level