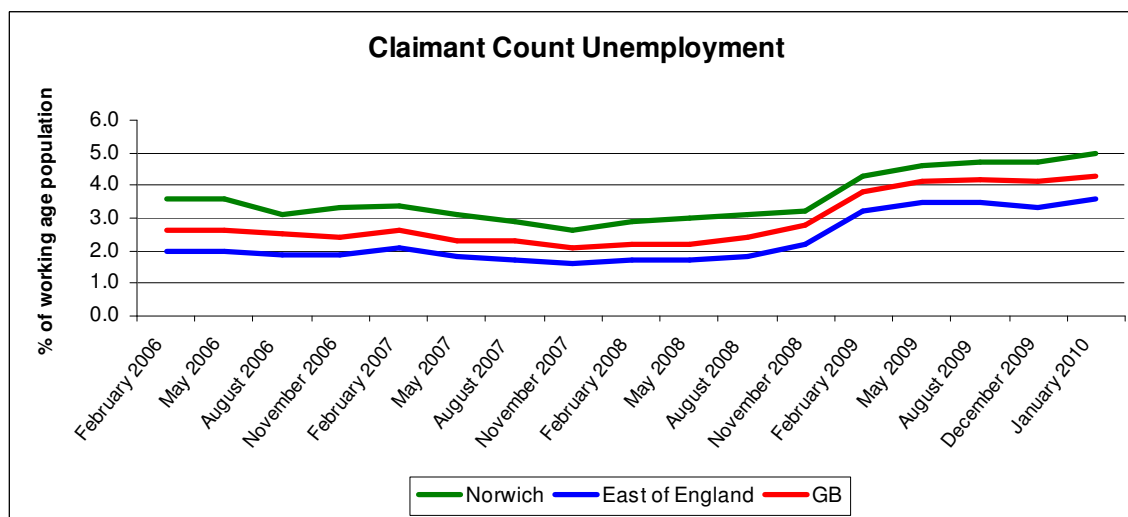


Norwich Monthly Economic Barometer March 2010

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

Figure 1



	February 2009		January 2010		February 2010		Change on previous month	Change on previous year
Great Britain	1,459,840	3.8%	1,654,025	4.3%	1,657,041	4.4%	+ 0.1%	+ 0.6%
East of England	112,668	3.2%	124,473	3.6%	124,614	3.6%	0	+ 0.4%
Norwich City Council areaⁱ	3,979	4.3%	4,639	5.0%	4,675	5.0%	0	+ 0.7%
Norwich Urban Areaⁱⁱ	5,061	3.7%	5,792	4.3%	5,838	4.3%	0	+ 0.6%
Bowthorpe	342	4.3%	366	4.6%	377	4.7%	+ 0.1%	+ 0.4%
Catton Grove	399	5.7%	483	6.9%	473	6.8%	- 0.1%	+ 1.1%
Crome	284	5.0%	306	5.4%	314	5.5%	+ 0.1%	+ 0.5%
Eaton	97	1.9%	92	1.8%	102	2.0%	+ 0.2%	+ 0.1%
Lakenham	272	4.6%	360	6.1%	361	6.1%	0	+ 1.5%
Mancroft	477	7.1%	572	8.5%	584	8.7%	+ 0.2%	+ 1.6%
Mile Cross	462	6.5%	520	7.3%	536	7.6%	+ 0.3%	+ 1.1%
Nelson	186	2.5%	184	2.5%	186	2.5%	0	0
Sewell	275	3.5%	329	4.2%	341	4.3%	+ 0.1%	+0.8%
Thorpe Hamlet	384	5.6%	452	6.5%	452	6.5%	0	+ 0.9%
Town Close	269	3.8%	322	4.6%	318	4.5%	- 0.1%	+ 0.7%
University	150	2.1%	194	2.7%	187	2.6%	- 0.1%	+ 0.5%
Wensum	382	5.1%	459	6.1%	444	5.9%	- 0.2%	+ 0.8%

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

The rate of unemployment has remained stable over the last month, in Norwich and at the regional and national levels. Unemployment has shown a marginal increase in Eaton, Mancroft and Mile Cross wards. In all other Norwich wards, claimant count unemployment rates remained stable or fell slightly.

Compared to previous recessions, claimant count unemployment in the current recession has remained lower – in February 1993, Norwich's claimant count unemployment rate stood at 11 per cent (GB 8.6 per cent, East of England 7.6 per cent).

Gender: Around one-quarter of unemployment claimants in the Norwich City Council are women, with a female claimant count unemployment rate of 2.5 per cent (GB 2.5 per cent, East of England 2.1 per cent) – this rate has fallen markedly since 1993 when it stood at 5.1 per cent (GB 4.1 per cent, East of England 3.9 per cent).

The male claimant count unemployment rate is higher in Norwich, at 7.4 per cent, than the national and regional rates (GB 6 per cent, East of England 4.9 per cent); records show that in January 1993 male unemployment rates in Norwich stood at 16.5 per cent compared to 12.7 per cent nationally and 11 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, 3.6 per cent of these young people have been registered as unemployed for more than 12 months – much higher than the national and regional rates (1.5 per cent and 1.2 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 (13.3 per cent) than at the national or regional levels (15.2 per cent and 16.9 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

	February 2009	January 2010	February 2010	<i>Change on last month</i>	<i>Change on last year</i>
Great Britain	309,573	222,171	282,269	+ 27%	- 9%
East of England	26,947	20,140	24,807	+ 23%	- 8%
Norwich City Council	1,236	1,039	1,209	+16%	- 2%
Norwich Urban Area	1,652	1,228	1,457	+19%	-12%

The figures given in Table 2 show that the number of vacancies notified to Jobcentre Plus has fallen, across both Norwich areas and the regional and national levels, over the year. The Norwich City Council area saw the lowest fall in vacancies. The number of vacancies notified to Jobcentre Plus increased across both Norwich areas and at the regional and national levels compared to the previous month; the increase was higher at the regional and national levels.

Norwich has a higher number of unfilled jobcentre vacancies per 10,000 working age population (146) than at the national (62) and regional (62) 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%)
February 2010	18,778	+ 270 (+1.4%)

Housing Benefit is an income-related benefit designed to help people on low incomes pay for rented accommodation whether in or out of work. Since February 2009 the number of Housing Benefit claimants in Norwich has increased by 14 percentage points. Comparable national data is not available because of a time lag in data collection.

Number made redundant	Sector	Occupations Affected
30	Boat Builders	Boat Building Trades
18	Business services	Architects
21	Car sales	Sales staff
345	Construction	Building Trades, Drivers 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
64	Wholesale	Managers, Sales, Admin, Drivers & Warehouse staff
176	Manufacturing	Operatives, finance admin 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 March were in the Construction, Manufacturing and Wholesale sectors.

	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	133,934	178,347	145,898	202,605
Rampant Horse St Crossing	167,661	169,229	181,597	195,671
St Andrew's Street	20,076	19,596	20,306	19,168

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 February 2010 were down by 15 percentage points. As with January, it may have been that the poor weather has adversely affected footfall (shoppers taking direct routes to shops to make their purchases being more focussed to avoid the cold and wet)

	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

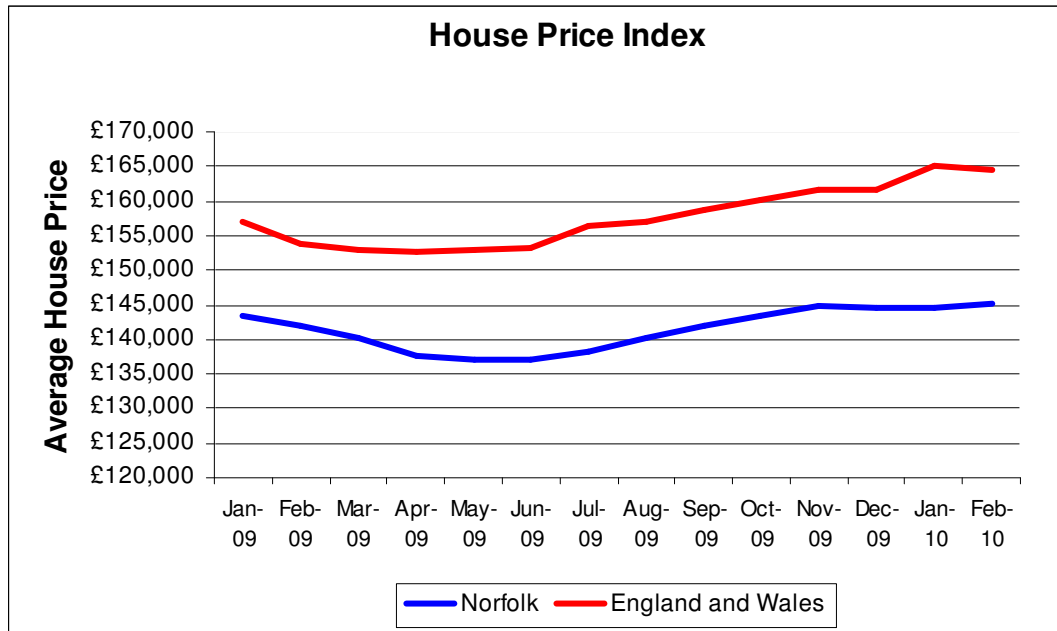
Table 7 shows that median^{vi} resident earnings for full-time workers in Norwich are 13 per cent lower than regional median earnings and 11 per cent lower than national median earnings. However, median workplace earnings (local residents and in-commuters) for full-time workers in Norwich are 2 per cent 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 February 2010 shows an annual price change for England and Wales of 6.8 per cent, the annual price change for Norfolk^{vii} was somewhat lower at 2 per cent. This is the first month since November 2009 that Norfolk house prices have increased. House prices in England and Wales fell against the previous month.

Good News Stories

- *The House of Commons voted through the implementation orders for a unitary Norwich by 249 votes to 171. The orders had already been approved by the House of Lords, so the way is now clear for a new council for Norwich to run all services in the city from April 2011.*
- *The city centre appears to be thriving. John Lewis has reported that sales are up 9% this year, compared to the same period last year. Jarrold and Chapelfied have reported similar increases. Food sales in general are up considerably – in double figures. Theatre Royal and Maddermarket are both doing well. Increase in theatre attendance is also having a positive impact on restaurants nearby as demand for pre-performance suppers is high. Nightclubs are doing well, though pubs are still struggling. Police have seen an increase in early evening economy activity but crime is down 7%, compared to the same period last year.*
- *The Institute of Food Research has been awarded £299,850 by EEDA to fund a Biomass to Bio-alcohol project. The project will support small and medium sized local businesses that will have open access to the equipment, helping advance bio-fuel commercialisation. The equipment will be unique to the UK, building on the region's significant bio-renewables capabilities through NRP, InCrops and BioFuels East.*
- *A local construction training company has seen rapid growth after securing a government contract which will see it help up to 165 unemployed people into*

work. All Trades Training was last year awarded work under the government's Future Jobs Fund programme. The company provide trade and general employment skills to young people who have been out of work for up to a year. The company has already trained its first batch of 40 trainees, with 40 more set to start in April.

In addition to training, participants are found work for six months, working 25 hours a week at £5.80 an hour, which will involve working on social housing projects and other building sites.

- *Norwich-based Achor has won a contract to create a dung-to-power processing plant in India. The company is working on the pilot facility in Sangli to provide power for the Pranav Agro Industries factory, which produces compost and animal feeds, and for a nearby school and dozens of homes. Cow dung will be converted into methane, then electricity, using Achor's patented enzyme-based conversion process.*
- *Home Instead Senior Care, a home care business is set to create 30 jobs after setting up a new operation, which offers support to the elderly in their own homes, the company has established a franchise at Vulcan Road North, in Hellesdon, Norwich.*
- *Occupational health group Abermed which gives assistance to North Sea energy workers, has been purchased by the American International SOS group. Abermed has offices in Great Yarmouth and Norwich and expects to create new jobs in the coming year.*
- *Norwich based software development company Illusion Media are to take an investment in Pocket Places, the Norwich based publisher of travel guides for mobile phones. The two companies have been working together for some time, including collaboration on a Technology Strategy Board part funded project, aimed at producing innovative tourist information services for London 2012.*
- *A joint venture between Norse Property Services and May Gurney has been named preferred bidder by Lambeth Council for a £185m school refurbishment and maintenance programme in London. This is the second success for the joint venture and comes in the wake of a £91m contract to upgrade schools in North Lincolnshire*

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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