

Greater Norwich Development Partnership

An Economic Assessment of Greater Norwich

A companion document to the Greater Norwich Economic Strategy
2009 – 2014

14 August 2009

Jobs, homes, prosperity for local people



NORWICH
City Council



Norfolk County Council



Broads Authority
The Broads - a member of the
National Park family



The County Economic
Development Partnership

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1. Introduction

The purpose of the Economic Assessment

This economic assessment provides the evidence base for the Economic Strategy and provides supporting evidence for the Joint Core Strategy. It has been prepared in advance of the requirement, under the Review of the Sub-National Economic Development and Regeneration (SNR), for upper tier local authorities to prepare an economic assessment of the local area. Norfolk County Council is the upper tier local authority for Norfolk and this assessment of “Greater Norwich” covering the local authority areas of Broadland, Norwich and South Norfolk will feed into the countywide assessment which will be prepared by the county’s economic development partnership, Shaping Norfolk’s Future.

The purpose of the Economic Strategy

- 1.1. The purpose of the Economic Strategy is to define priorities for economic development in the Greater Norwich area for the next five years. Since the preparation of the last strategy the context for economic development in the area has changed dramatically. The Greater Norwich Area has been identified in the East of England Plan as a growth point and its population is set to increase by almost 22% between 2001 and 2021 with the provision of 37,000 new homes and 35,000 new jobs. Greater Norwich has also been identified as one of seven major “engines of growth” in the Regional Economic Strategy.
- 1.2. 2008 saw a marked downturn in the global economy following the worldwide crisis in the banking sector. The length and depth of the resulting recession and the speed of recovery cannot be predicted at this time but it seems certain to dominate the first years of the period of this strategy. The rate of employment growth seems likely to slow during this period and planned population growth will be curtailed by the downturn in housebuilding.
- 1.3. Greater Norwich must plan, both to survive the recession and at the same time, build on its strengths and potential to ensure that the local economy is well positioned for recovery. The Economic Strategy is aimed at achieving sustainable economic growth that delivers benefits for all members of the community
- 1.4. As a low lying area, Greater Norwich is particularly vulnerable to the affect of climate change. The seriousness of climate change and the need for sustainable development provide both challenges and opportunities for the Greater Norwich area, which are reflected throughout the Strategy. A focus on lower energy use and efficient use of all resources can improve competitiveness as well as reducing the area’s carbon footprint. Concern for the quality of the physical environment will also help to ensure that growth has long term as well as short term benefits.

- 1.5. The Strategy seeks to identify and secure a shared commitment among all those actively engaged in the development of the local economy to clear strategic priorities and a plan of action to drive the local economy forward. The strategy is for a five year period, but will aim to establish the conditions for sustained growth beyond that period.
- 1.6. A clear strategy will help to secure resources from local partners and external sources to support the development of the local economy and will provide a basis for the allocation of those resources that are available.

The preparation of the Economic Strategy

- 1.7. The preparation of the Strategy has been co-ordinated by the Economy Group of the Greater Norwich Development Partnership comprising representatives from:
 - Broadland District Council
 - Norwich City Council
 - South Norfolk District Council
 - Norfolk County Council
 - Shaping Norfolk's Future
 - East of England Development Agency
- 1.8. This accompanying document has been informed by several technical studies, some of which have provided the evidence base for the Joint Core Strategy of the Local Development Framework (LDF), which will become the Statutory Development Plan for the Greater Norwich Area. The Employment Growth, Land and Premises Study, prepared by ARUP and Oxford Economics, has been a particularly important input to both documents. The Norwich Needs Study of Local Deprivation prepared by Oxford Consultants for Social Inclusion (OCSI) in 2008 is a further key data source. More detail on these and other sources of more detailed information is set out in the Appendix.
- 1.9. The Strategy has been developed through consultation with the business community, other public sector bodies, further and higher education institutions and stakeholders. A number of consultative events have also been held.

Strategic Context

- 1.10. The Economic Strategy for Greater Norwich has been prepared at a time when the global nature of the economy has never been more apparent. A period of sustained population and employment growth locally is being slowed by the financial crisis originating in the United States. This generated a credit crisis in the world banking system which, in turn, is causing a sharp economic downturn worldwide. The strength of these global forces seems certain to impact upon the underlying growth potential of the area at least in the short term. World

markets also determine the costs of energy and raw materials, resulting in rapid fluctuations beyond the control of local influence or national governments.

- 1.11. Globalisation has resulted in a steady reduction in the strength of manufacturing in the economies of the western world in the face of competition from the Far East and Eastern Europe. Greater Norwich has not been immune to this trend; manufacturing has had to be increasingly innovative and to focus on relatively low volume niche markets to compete. Service sector jobs are also under threat from outsourcing and offshoring, as global companies try to save money by shifting many functions that were once done internally.
- 1.12. The expansion of the European Union has created a shift in emphasis in the patterns and priorities of EU funding. The accession of the Eastern European countries has meant that there is less funding available to the UK for regional development. However, the Regional Development Fund is no longer restricted to the least developed areas and is strongly geared to initiatives which support the development of a low carbon economy, offering significant opportunities for Greater Norwich.
- 1.13. English regions will see a shift in approach to the delivery of economic development following the Sub-national Review of Economic Development. Regional Development Agencies will now have responsibility for the preparation of the Regional Plan, which will incorporate both the Regional Spatial Strategy (previously the responsibility of the Regional Assembly) and the Regional Economic Strategy. Local authorities will have greater responsibility for the delivery of economic development, devolved from Regional Development Agencies. Top tier authorities are to have a statutory duty to prepare a local economic assessment. There is also a strong emphasis on strategy and delivery focussing on functional economic areas. In areas, such as Greater Norwich, where the functional economic area comprises more than one local authority this may result in the development of sub-regional partnerships, which may take on the statutory duties of local authorities, The Greater Norwich Development Partnership reflects this emphasis as it broadly corresponds to the functional area of the Norwich City Region.
- 1.14. The East of England Plan and the Regional Economic Strategy provide the regional context for the Greater Norwich Economic Strategy. The East of England Plan identifies Norwich as a key centre for development and change and provides for the development of 37,500 new homes from 2001 to 2021 in the three districts of Norwich, Broadland and South Norfolk. Of these, 33,000 new homes are planned in the Norwich Policy Area which corresponds to the built-up urban area and encompasses a number of villages as well as the market towns of Wymondham and Long Stratton

1.15. The Plan also provides for 35,000 new jobs over the period 2001-2021 and:

- Identifies Norwich as a priority area for regeneration in view of the extent of local deprivation
- Proposes the identification of strategic employment sites to support regeneration and its role as part of a major regional bio-science cluster
- Proposes the provision of employment land in the City centre and at Thorpe St Andrew, Costessey, Norwich Research Park, Norwich Airport and Wymondham
- Supports the strengthening of the city centre's role as a retail, leisure and cultural centre - one of 4 regional centres
- Recognises the importance of the emerging motor sport/advanced engineering sector in association with the Hethel Engineering Centre

1.16. The Regional Economic Strategy emphasises the position of the East of England as part of the Greater South-East focussed on London. It identifies Greater Norwich as one of 7 "Engines of Growth" in the region where the bulk of new job growth will be accommodated. For each Engine of Growth it proposes:

- A bold and visionary strategy for the economic development of the area led by local authorities, identifying and supporting a limited number of sectors and clusters of international and national significance, alongside outlining improvements in the general environment for businesses that serve local and regional markets
- Effective partnerships that span administrative boundaries, public and private sectors to deliver regional economic and regional spatial strategy ambitions
- Recognition as major economic centres and labour markets, and therefore targeting of services and investment through Local Area Agreements or Multi-Area Agreements
- Integrated Development Programmes and strong investment planning approaches that identify the phasing and financing of major physical infrastructure and growth
- A planning framework and system that provides clarity and confidence to the market, including Master Plans and Action Area Plans for areas of transformation

1.17. The Regional Economic Strategy sets out the following ambitions for Greater Norwich:

- Strengthen Norwich as a leading medium-sized science city in the UK
- Further transition to a knowledge-based economy through major improvements to the skills and employment base

- Improve the position of University of East Anglia in global university rankings and significantly increase spin-out technology transfer and R&D collaboration, with close ties to the local economy
- Enable the development of clusters at Norwich Research Park and Hethel around globally renowned anchor companies and research institutes in areas of automotive engineering, environment and life sciences
- Develop Norwich as a nationally important centre in financial and business services and creative industries, and maintain Norwich as a top ten retail centre with matching city centre office accommodation
- Develop Norwich as an international exemplar of a low-carbon city, with the promotion of renewable energy, combined heat and power, wind, solar and biomass
- Improve the connectivity of Norwich to key national, regional and local markets through infrastructure improvements to key roads and enhanced rail services to London and other regional cities
- Greater coordination and intervention to bring forward large brownfield sites for redevelopment
- Increase linkages between Norwich International Airport, Amsterdam Schiphol as a European hub and other key international markets
- Diversify and strengthen the economy of market towns within the sub-region
- A nationally recognised heritage and arts offer and regionally important retail and leisure functions as part of a stronger inward investment strategy that demonstrates the distinctiveness of the sub-region

SWOT Analysis

Strengths:

- Strong higher and further education offer – University of East Anglia, Norwich University College of Arts, City College Norwich and Easton College.
- Second highest graduate retention rate in the country.
- Globally significant science and research offer for health, life and environmental sciences Norwich Research Park/UEA/Norwich and Norfolk University Teaching Hospital.
- Norwich International Airport: connectivity within the UK and globally via Amsterdam.
- Diverse business base, strengths include financial services cluster, creative industries, health, life and environmental sciences, advanced engineering, retail, construction, tourism, public administration
- One of top 10 retail centres in the country – also provides a concentrated city centre for shopping.
- Relative isolation means strength of retail and other service centre functions likely to continue
- Large cluster of creative industries
- Vibrant city centre providing extensive cultural, leisure, sports and heritage offer in an accessible and green environment. Largest collection of heritage assets in any UK provincial city.
- The City has the highest level of cultural assets per head of population in the UK
- Strong quality of life, easy access to beautiful countryside (including Broads National Park) and coast, low crime rates, attractive urban and rural living environments - key drivers in attracting investment, business and knowledge workers.
- “A contemporary medieval city “. Historic and ongoing attention to “quality of place”, design and sustainability, to ensure that growth enhances rather than dilutes Norwich’s special identity.
- Relatively low cost housing and commercial premises
- Earnings 20- 25% below national average (benefit to employers)
- Direct rail connections to London & Cambridge, excellent Park & Ride system, good city for walking and cycling (less good in surrounding areas), increasing bus usage/patronage

Weaknesses:

- Excellence Hubs that support the future evolution and growth of the Health & Life Sciences, Engineering, Creative and Financial industry sectors already in place and positively influencing future growth.
- Space to grow development opportunities in the city centre and urban fringe

- New technologies (wireless) may enable more refurbishment of old office stock
- Norwich Local Enterprise Growth Initiative funding, in addition to EEDA funding, is available to stimulate enterprise up to 2011
- Role of HE and research sector in driving growth
- Proper branding and promotion of Norwich
- Potential to trade on quality of life offer
- Bring forward large brownfield sites for redevelopment
- Very significant additional capacity for new comparison shopping in Norwich amounting to around 42,000 sq m – e.g. through redevelopment of St Stephens area
- Identify and fill gaps in supply of tourism facilities
- Promotion of renewable energy (CHP, wind, solar, biomass)
- Potential expansion of Norwich Airport and related business activities
- Norwich Northern Distributor Road will provide access to potential major growth areas and on NE fringe and remove traffic from the city centre – allocated part funding in RFA for beyond 2011
- Reduce deprivation and exclusion through appropriate location and mix of jobs – link with LIC initiatives
- Growth provides an opportunity to improve public transport
- Development of East Port at Great Yarmouth improves freight & passenger service connectivity to Northern Europe
- Ensure new housing sets exemplary standards in carbon emissions/energy use - raise profile
- Training in the construction industry on low carbon building – national HQ of construction industry is in Norfolk

Opportunities:

- Poor levels of educational attainment (in city) and skills, and low aspirations, amongst the indigenous population (young people and adults).
- Norwich City 2nd most deprived local authority area in the Eastern Region. Multiple deprivation particularly affecting income, educational attainment, aspirations and health (however, deprivation is quite localised within some City wards, not a problem elsewhere in area)
- Earnings 20- 25% below national average (weakness for employees).
- The structure of the labour market is out of balance: too many low paid/low skilled jobs, very few intermediate level jobs, and insufficient knowledge economy jobs.
- High level of graduate retention leads to graduates being under-employed and silting up intermediate level jobs, stifling the aspirations/opportunities for the indigenous population.
- Historically low level of entrepreneurship /business start up rates and poor growth rates for small and medium size enterprises.

- City centre office accommodation generally not meeting 21st century requirements (better on out of town business parks).
- Inadequate or constrained employment land and premises availability – most existing strategic sites are constrained in some way
- Limited supply of brownfield sites
- Almost no speculative development in city centre & on business parks around NE Norwich
- City profile misunderstood (or not understood at all) nationally. Perceptions of remoteness/sleepy small town offer. Lack of clear and positive external identity.
- There is a need to improve national and regional connectivity e.g. the reliability and speed of rail services and improvements to the A11 / A47.
- Utilities infrastructure investments required to address electricity supply, water supply and sewage as well as improvements to ICT infrastructure
- Limited inward investment enquiries
- Only 20% of all new homes built in last few years were 'affordable', compared with RSS requirement of 35%. The existing backlog in affordable provision means actual % required is much higher in next few years

Threats:

- The City has a disproportionate dependency on large employers (68 employ 40% of the workforce) making the economy particularly vulnerable to global investment decisions and macro-economic trends
- Declining graduate retention rate (down from 1 in 3 to 1 to 5)
- Failure to provide sufficient knowledge economy jobs will reduce graduate retention
- Lack of speculative high quality office development
- Historically low business start up and growth rates mean scale of employment growth required cannot be met by indigenous businesses
- Much of the job creation will be at the low value, low skills end of the spectrum, reinforcing the mismatch between high graduate retention and low proportion of knowledge based jobs
- Restructuring/contraction of finance sector
- Forecast shortfall in affordable (rented and intermediate) homes [in short term] may squeeze out some lower/medium income workers and young people
- Parts of central Norwich and other parts of the wider Norwich area including most of the Broads are at risk of flooding
- Impact of large scale development on climate change
- Poor quality development could undermine environmental quality of area
- Disparity between land values for housing & employment uses means market pressure is for housing development rather than business space

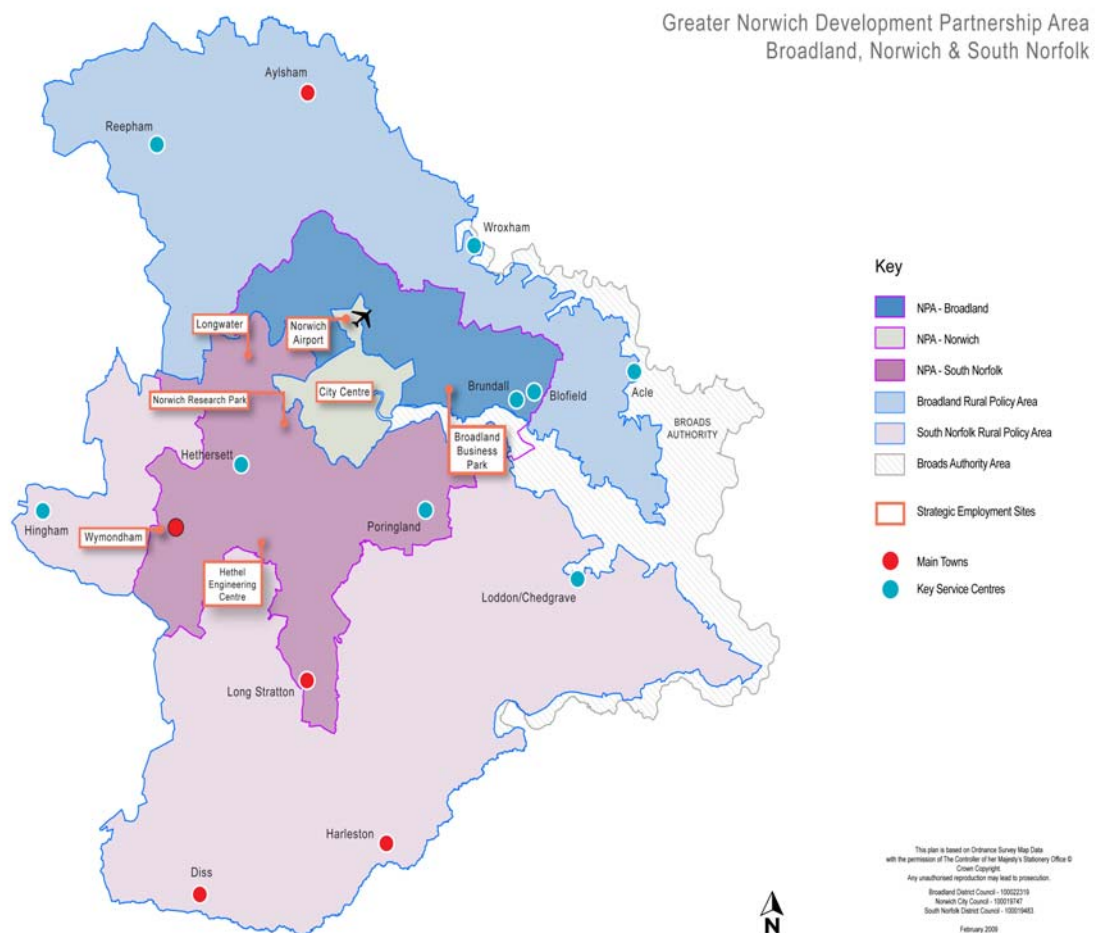
- Failure to develop Northern Norwich Distributor Road (NNDR) will severely restrict growth potential as it would directly service airport, support commuting to Broadland Business Park, and prevent development of the NE sector accounting for approximately one third of proposed housing development. NNDR would also enable public transport for the northern suburbs to be significantly improved
- Affordability of housing is getting worse – currently house prices are 6 times average earnings, 7 times median earnings

Over-riding all of these issues in the short term is the deepening recession which will create increased emphasis on job retention and creation and the need to ensure a strong foundation is in place to support growth when conditions improve.

2. The Greater Norwich Economy

What is Greater Norwich?

2.1 Greater Norwich comprises the local authority areas of Norwich, Broadland and South Norfolk. It covers an area of almost 1,500 sq km, approximately 28% of the land area of Norfolk but accounts for almost one-half of the County's population and 47% of the County's jobs. As shown in the map below, it relates closely to the City of Norwich and its rural hinterland with the addition of an extensive rural area containing several small market towns which are themselves centres for employment and services. Diss, in particular serves a rural area extending well into Suffolk. Other significant towns include Wymondham, Harleston, Long Stratton and Loddon in South Norfolk and Aylsham, Acle and Reedham in Broadland. The rural area is essentially agricultural but also comprises parts of the Norfolk Broads.



2.2 Significant contrasts exist between the position of Norwich and the two rural districts placing them at opposite ends of the spectrum in relation to national and regional averages. Almost half the population of the urban area of Norwich and all of its rural hinterland lies outside the boundary of Norwich City Council. This can exaggerate differences between Norwich and other cities of a comparable size with less restrictive boundaries. When data for the three districts is aggregated it often shows a picture for Greater Norwich much closer to the regional and national averages. This summary recognises the variations but focuses on the characteristics of the area as a whole. All of the datasets used in this analysis are the most recent available at the time of writing.

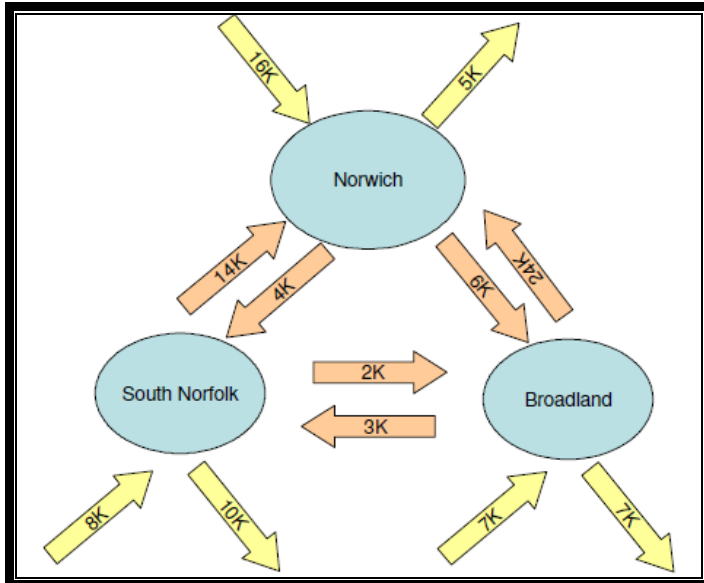
The scale of the Greater Norwich Economy

2.3 Total Gross Value Added¹ (GVA) in 2005 across Greater Norwich was estimated at about £6.3 billion (at 2003 prices). Just over half of this is accounted for by the Norwich economy, a proportion which has fallen slightly over the last decade. Relative productivity (GVA per worker) in Greater Norwich is estimated to be 5% below the regional average. Productivity in Norwich is close to the regional average, around 7 percentage points lower in South Norfolk and over 10 percentage points lower in Broadland. In each case this partly reflects the sectoral composition of the economy.

2.4 Around 205,000 people are employed in Greater Norwich; about 50% of these jobs are based in the Norwich local authority area with the remainder split almost equally between the South Norfolk and Broadland local authority areas. However, almost two-thirds of all these jobs are based in the built-up urban area.

¹ Gross Value Added is the difference between the value of goods and services produced and the cost of raw materials and other inputs which are used up in production. It is a measure of productivity.

Figure 1: Greater Norwich Commuting Flows (2001 Census)



2.5 Norwich attracts very high levels of inward commuting from Broadland and South Norfolk and significant inflows from Great Yarmouth, North Norfolk and Breckland. However, as shown in Figure 1 on the previous page, Greater Norwich as a whole is exceptionally self-contained with relatively low outflows.

2.6 As would be expected in a largely rural county, the level of car use is higher than the national average with almost three-quarters of Broadland and South Norfolk residents using this mode of travel to work. This sits uncomfortably with the need to reduce carbon emissions. Conversely and highlighting the differences between the urban and rural areas, almost one-third of Norwich City Council residents walk or cycle to work – one of the highest rates in the country.

Population

2.7 An estimated 372,500 people live in Greater Norwich – Table 1 shows that the population has grown rapidly since 2001 and planned growth of around 77,000 people is expected to take place over the period to 2021; an increase of almost 22% on 2001 population figures. In recent years, much of the housing growth that has taken place to accommodate this increase in population has taken place on brownfield land within the urban area. In future, as population growth continues, a higher proportion of this growth will have to take place outside of the urban area.

| | 2001 | 2007 | 2021 |
|----------------------------------|-------------|-------------|-------------|
| Greater Norwich | 352,000 | 372,500 | 429,400 |
| Broadland | 118,800 | 123,000 | 139,700 |
| Norwich | 122,400 | 132,200 | 154,600 |
| South Norfolk | 110,800 | 117,300 | 135,100 |
| Source: Norfolk Data Observatory | | | |

2.8 Table 2 compares the age structure of the population of Greater Norwich to that of the region and to England as a whole. Greater Norwich has a lower than average percentage of the population in the 0-15 years age group alongside a higher percentage of the 60 years and above age group. The other age groups are roughly in line with the regional and national averages.

| | 0-15 yr | 16-29 yr | 30-44 yr | 45-64* yr | 60+ yr ** |
|--|----------------|-----------------|-----------------|------------------|------------------|
| Greater Norwich | 16.8% | 18.8% | 20.2% | 22.4% | 21.7% |
| Broadland | 17.3% | 13.5% | 20.4% | 24.6% | 24.2% |
| Norwich | 15.2% | 28.8% | 20.9% | 17.9% | 17.2% |
| South Norfolk | 18.1% | 13.2% | 19.4% | 25.1% | 24.2% |
| Eastern Region | 19.1% | 17.1% | 21.5% | 22.4% | 19.9% |
| England | 18.9% | 18.6% | 21.7% | 21.9% | 18.9% |
| * female 45-59, male 45-64 ** female 60 plus, male 65+ | | | | | |
| Source: Norfolk Data Observatory | | | | | |

2.9 However, the population of the Norwich local authority area is characterized by a significantly high percentage of the 16-29 age group (mainly due to the high student population) and correspondingly lower levels of the older age groups.

2.10 A breakdown by ethnic group for the local population is given in Table 3. It shows that Greater Norwich's population is predominantly White British with Norwich local authority area having the lowest proportion of this group - although still above the regional and national averages. The White Other group is also noticeably larger in Norwich than in the other districts and is in line with regional and national averages.

| | Broadland | Norwich | South Norfolk | East of England | England |
|---------------|------------------|----------------|----------------------|------------------------|----------------|
| White | 97.8% | 94.0% | 97.6% | 92.8% | 89.1% |
| White British | 95.7% | 89.8% | 95.2% | 88.4% | 84.7% |
| White Irish | 0.5% | 0.7% | 0.5% | 1.1% | 1.2% |
| White Other | 1.6% | 3.5% | 1.8% | 3.3% | 3.2% |

| | | | | | |
|---|------|------|------|------|------|
| Mixed Ethnicity | 0.7% | 1.3% | 0.7% | 1.4% | 1.6% |
| Black or Black British | 0.3% | 0.9% | 0.4% | 1.6% | 2.7% |
| Asian or Asian British | 0.7% | 2.0% | 0.7% | 3.1% | 5.3% |
| Chinese or Other Ethnic Group | 0.5% | 1.8% | 0.6% | 1.1% | 1.3% |
| Source: Department of Work and Pensions | | | | | |

2.11 The Worker Registration Scheme was introduced in 2004 when the accession countries joined the European Union. It enables the monitoring² of migrant workers from the new member states in the labour market, the type of work they are doing and the impact this has on the economy. Worker Registration Scheme data for 2007 suggests that just over 2,000 people from these countries entered the Greater Norwich labour market, around 70% of these registrations took place in the Norwich local authority area with the remainder split equally between Broadland and South Norfolk. The majority of workers registering in Greater Norwich were aged below 24 years.

Housing

2.12 The potential housing supply for the period 2006 to 2011 is 13,762 dwellings - this exceeds the housing requirement of 9,690 homes by 4,072 homes. These homes are not evenly spread by location, tenure or property size. There is a small overall shortage of housing in Broadland. Most of the shortages are for three and four-bedroom homes. Housing developments in the Norwich City Council area post-March 2006 will be very different to developments completed over the period 2001 - 2006. There will be more flats - 70% compared to 31%. As a result, there will be more small one and two-bedroom properties - 73% compared to 56%. Housing developments in Broadland and South Norfolk Districts contain more houses and more large (three and four-bedroom) properties than in Norwich. The mix of development – property size and type – planned in Broadland and South Norfolk in the post-March 2006 period is very similar to the period 2001 – 2006.

2.13 A shortage of one and four+ bedroom affordable homes is expected across Greater Norwich as a whole. In the Norwich City Council area, there are projected shortages of affordable housing for all property sizes. In the private market sector, all of the projected shortages are in Broadland. Housing market theory suggests that the demand will displace to Norwich City and South Norfolk District where sufficient market housing is projected.

Employment

2.14 From 1995 to 2007 employment in Greater Norwich increased by 25% as shown in Table 4. This is a much stronger rate of employment growth than was achieved regionally and nationally. From 2001, the rate of growth accelerated

² except those from Malta and Cyprus

with almost two-thirds of total employment growth taking place in this period. Employment has grown much faster in South Norfolk and Broadland than in Norwich. The development of Broadland Business Park in the late 1990s and the Norfolk and Norwich University Hospital in 2005 involved substantial relocations of jobs from the centre of Norwich to the urban fringe.

| | 1995 | 2001 | 2007 | Change 1995-2007 | Change 2001- 2007 |
|----------------------------|-------------|-------------|-------------|-----------------------------|----------------------------------|
| Greater Norwich | 145,049 | 158,300 | 181,600 | +25.2% | +14.7% |
| Broadland | 28,277 | 36,400 | 42,600 | +50.6% | +17.0% |
| Norwich | 90,876 | 91,900 | 95,500 | + 5.1% | + 3.9% |
| South Norfolk | 25,896 | 30,000 | 43,500 | + 68.1% | + 45.0% |
| East of England | 2,012,300 | 2,266,100 | 2,377,600 | +18.2% | + 4.9% |
| Great Britain | 22,728,869 | 25,490,300 | 26,599,200 | +17.0% | + 4.3% |

Source: National Statistics (Nomis: www.nomisweb.co.uk) Annual Business Inquiry 2007
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- 2.15 The proportion of the Greater Norwich working age population that is economically active³ is comparable to the national figure but lower than the regional figure.
- 2.16 The rate of employment and self employment is higher than the national average and approximates to the regional average. However, as shown in Table 5, within Greater Norwich there are great differences.
- 2.17 The overall economic activity rate is much lower in Norwich than in the other districts and compared to regional and national rates. This is accounted for, in large part, by the high student population. Self-employment is also much lower in Norwich and well below the regional and national figures.

³ Economically active: People who are either in employment or unemployed

| Table 5 Economic activity as a proportion of working age population | | | |
|--|----------------------------|--|----------------------|
| | Economically Active | In Employment (including Self-employed) | Self-employed |
| Greater Norwich | 78.3% | 76.2% | 10.3% |
| Broadland | 83.4% | 81.1% | 14.8% |
| Norwich | 71.7% | 69.3% | 6.7% |
| South Norfolk | 82.6% | 81.3% | 11.8% |
| East of England | 81.2% | 77.7% | 10.9% |
| Gt. Britain | 78.8% | 74.5% | 9.4% |
| Source: National Statistics (Nomis: www.nomisweb.co.uk) Annual Population Survey 2007 | | | |
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Unemployment

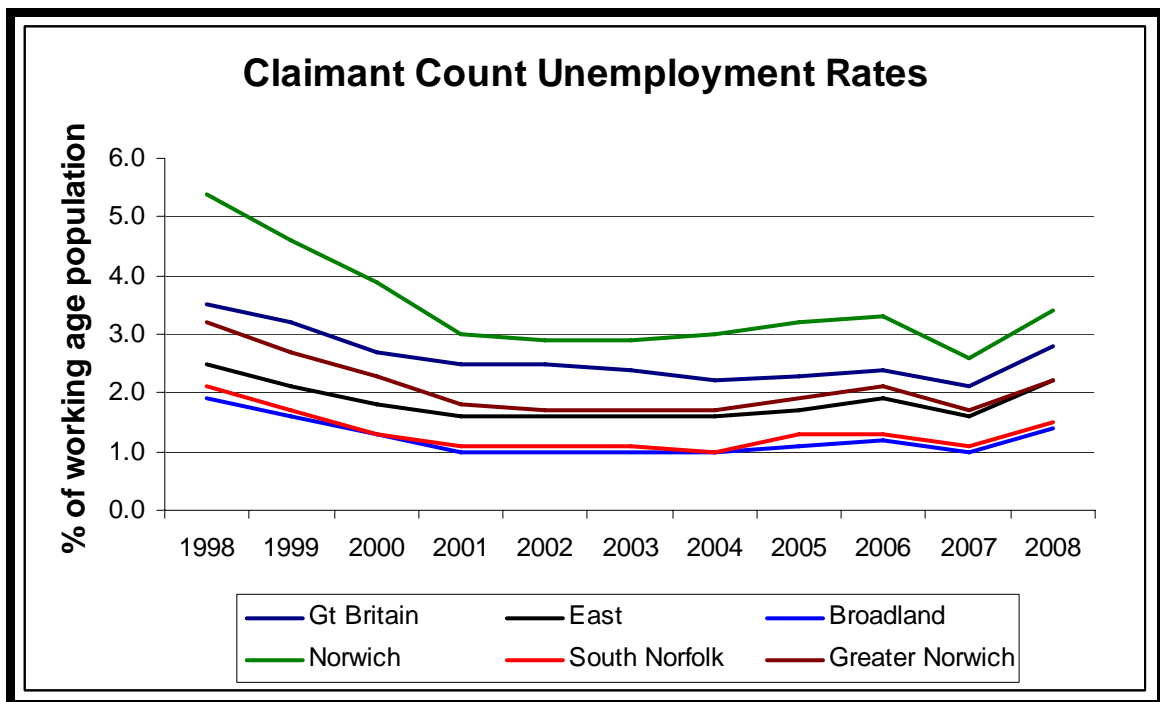
- 2.18 As the unemployed form a small percentage of the population, the Annual Population Survey unemployment estimates for local authority districts are based on very small samples and so for many areas they are unreliable. To overcome this ONS has developed a statistical model that provides better estimates of the total unemployed for local authority districts.
- 2.19 Norwich local authority area has the highest unemployment in Greater Norwich at 6.8% of the economically active population compared to 3.5% in Broadland and 3.6% in South Norfolk. This compares with a national rate of 5.3%.
- 2.20 Figure 2 shows that since 1998, Claimant Count Unemployment⁴ in Greater Norwich has remained below the national level but above the regional level. Within Greater Norwich, unemployment is significantly higher in the Norwich local authority area (June 2009 4.7%) than in the other two districts (Broadland 2.1%, South Norfolk 2.4%).

⁴ The claimant count is not itself a measure of unemployment but is strongly correlated with unemployment, and, as it is an administrative count, is known without sampling error. JSA claimant count records the number of people claiming Jobseekers Allowance (JSA) and National Insurance credits at Jobcentre Plus local offices. People claiming JSA must declare that they are out of work, capable of, available for and actively seeking work during the week in which the claim is made.

2.21 Similarly, long term Claimant Count Unemployment (12+ months) as a proportion of total unemployment is also significantly higher in the Norwich local authority area than in the other two districts.

2.22 During 2008 unemployment began to rise as economic conditions deteriorated. Although this trend looks set to continue during 2009, the actual increase has been slower across Greater Norwich (June 2009 3.2%) than at regional (3.4%) and national (4.1%) levels.

Figure 2



Business Vitality

2.23 Economic growth in the Greater Norwich area has been generated mainly by existing businesses and indigenous business formation rather than as a result of large inward investment.

2.24 Growth in VAT registered businesses has exceeded that for de-registrations, leading to a rising business stock. This growth in business stock reflects the relatively low business closure rates and high business survival rates across the Greater Norwich area.

2.25 As shown in Table 6 overleaf, the rate of new business start-ups in the Norwich local authority area in 2007 was higher than at the national and regional level. Conversely, the business start-up rate in Broadland and South Norfolk was weaker suggesting an environment for small businesses that is rather less dynamic but also less vulnerable for small businesses than in the region as a whole.

2.26 If the economy of Greater Norwich is to recover from the downturn and to grow in the long-term, it can be argued that alongside helping existing businesses survive, new businesses also need to be encouraged to start. New businesses play an important role in creating a healthy, dynamic economy and there is a positive correlation between the level of business start-up rates amongst the population and economic growth.

| | Broadland | Norwich | South Norfolk | East of England | National Average |
|---|------------------|----------------|----------------------|------------------------|-------------------------|
| Business closure rate⁵ | 6.78% | 7.22% | 6.26% | 7.36% | 7.55% |
| Business survival rate⁶ (24 months) | 85.00% | 82.00% | 87.00% | 82.80% | 80.19% |
| Business registration per 000 adults⁷ | 29 | 34 | 36 | 43 | 41 |
| New business start-up rate⁸ | 7.53% | 11.05% | 7.70% | 9.88% | 10.55% |

Source: Local Futures

Knowledge and Innovation

2.27 The Work Foundation⁹ suggests that the future of the UK economy is in knowledge based industries. These sectors are reliant on highly technical and often specialised knowledge; their products influenced less by price competition but marketed on a high value-added basis. Areas with high levels of employment in knowledge industries are more productive than those without, and while the knowledge economy is growing nationally, local areas are experiencing this trend in very different ways.

2.28 Knowledge-based industries are defined by the OECD as high to medium tech manufacturing (e.g. pharmaceuticals, aerospace and electrical engineering); financial and business services; telecommunications; education and health. Knowledge occupations are defined as Managers and Senior Officials, Professional Occupations and Associate Professional & Technical Occupations. However, these definitions provide only broad measures and at best give a simplistic and partial view of the knowledge economy.

2.29 The forecasting work undertaken for the ARUP Employment Growth Study suggests that employment growth through to 2026 will shift the occupational balance of the Greater Norwich economy towards higher and intermediate level

⁵ The percentage of businesses that have deregistered for VAT within the last year (2007)

⁶ The proportion of businesses still registered for VAT 24 months after their initial registration (2003-2005)

⁷ The number of enterprises registered for VAT per 1000 population (2007)

⁸ The percentage of businesses that have registered for VAT within the last year (2007)

⁹ The Work Foundation: 10 years of the UK's Knowledge Economy (2007)

“knowledge economy” jobs at a slow pace unless specific policy interventions are undertaken.

- 2.30 On a more positive note, the Cities Outlook 2009 report ranks the Norwich urban area as having the UK’s fourth highest percentage of employment in knowledge intensive businesses in the country, after Oxford, Cambridge and Reading.
- 2.31 The UK Competitiveness Index ranks local authorities in terms of a range of indicators which combine to give the Index of Competitiveness; Norwich and South Norfolk are ranked in the top 50% of local authorities for the proportion of knowledge-based businesses. Norwich is ranked at 155 and South Norfolk at 180 out of 403 local authorities, Broadland is ranked at 251.
- 2.32 The Work Foundation’s 2006 report¹⁰ and the Knowledge Economy Strategy¹¹ consider local strengths and weaknesses in terms of the knowledge economy in some detail. Both conclude that the Norwich urban area has several key strengths that can support the growth of its knowledge-based economy:

- The attractiveness of the city with its cultural heritage and high quality of life
- A strong diverse economy
- Existing strength in the financial and business services sector
- Growing strengths in the creative industries sector
- The great potential associated with the University of East Anglia, a top 20 university with world leading research strengths in climate change and environmental science and the second highest rate of graduate retention in England
- Norwich Research Park, a major concentration of life science based research expertise and part of a wider regional cluster of bio-science expertise in the East of England

2.33 The reports also identified some weaknesses to be addressed including:

- Shortages in high quality business premises
- A relatively low profile for the City, nationally and internationally, leading to a lack of awareness of its offer
- Some weaknesses in inter-regional connectivity
- Some weaknesses in the levels of skills and educational attainment

Industrial Structure

2.34 Greater Norwich has a diverse economic base in a range of Service and Manufacturing sectors, particularly the high value-added sectors.

¹⁰ The Work Foundation: Ideopolis: Knowledge City Regions, Enabling Norwich in the Knowledge Economy

¹¹ SQW Consulting: Greater Norwich Knowledge Economy Strategy

2.35 The industrial structure of the Greater Norwich economy summarised in Table 7 overleaf shows that it does not differ greatly from the industrial structure of the region or the country. For example, the great strength of Norwich in Financial Services is partly counterbalanced by the relative strength of Public Administration and Health in South Norfolk and of the Manufacturing sector in Broadland.

| | Gt. Britain | East of England | Broadland | Norwich | South Norfolk | Greater Norwich |
|--|--------------------|------------------------|------------------|----------------|----------------------|------------------------|
| Agriculture & Fishing | <1.0% | 1.4% | 3.0% | <1.0% | 3.5% | <1.0% |
| Banking, Finance & Insurance, etc | 21.6% | 20.7% | 16.0% | 31.0% | 14.4% | 23.5% |
| Business & Professional Services | 17.7% | 17.7% | 11.9% | 18.8% | 13.6% | 15.9% |
| Construction | 4.9% | 5.5% | 7.4% | 3.3% | 6.4% | 5.0% |
| Creative Industries | 7.7% | 6.9% | 4.6% | 6.7% | 6.7% | 6.2% |
| Energy & Water | <1.0% | <1.0% | <1.0% | <1.0% | <1.0% | <1.0% |
| Engineering | 3.9% | 4.4% | 4.2% | 2.7% | 5.6% | 3.7% |
| Financial Intermediation | 4.0% | 3.0% | 4.2% | 12.1% | 0.8% | 7.6% |
| Health & Life Science | <1.0% | <1.0% | <1.0% | <1.0% | 1.6% | <1.0% |
| Hotels & Restaurants | 6.7% | 5.9% | 6.3% | 5.1% | 5.2% | 5.4% |
| Manufacturing | 10.6% | 10.7% | 16.4% | 7.8% | 10.6% | 10.5% |
| Other Services | 5.2% | 4.8% | 3.2% | 4.4% | 3.8% | 4.0% |
| Public Administration, Education & Health | 26.9% | 25.5% | 26.3% | 26.0% | 34.8% | 28.2% |
| Retail | 10.4% | 11.4% | 9.7% | 12.0% | 9.2% | 10.8% |
| Tourism | 8.2% | 7.6% | 6.9% | 7.3% | 6.2% | 6.9% |
| Transport & Communications | 5.9% | 6.1% | 3.7% | 5.0% | 2.9% | 4.2% |
| Wholesale & Retail Trade | 16.6% | 18.8% | 17.6% | 17.2% | 18.1% | 17.5% |

Source: National Statistics (Nomis: www.nomisweb.co.uk) Annual Business Inquiry 2007
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Key Sector Analysis

2.36 **Agriculture & Food Processing:** This sector has long been associated with Norfolk and as would be expected the percentage of people employed in Agriculture is higher in Broadland and South Norfolk than the regional and national averages. However, taking the Greater Norwich area as a whole the proportion is in line with the regional and national picture. The sector also has links with the Health and Life Science sector.

- **Food Processing:** In 2007, the food processing sector in Greater Norwich employed just over 3,000 people; a fall of around one-quarter on 2001

¹² Columns do not total to 100% as some sectors are sub-sectors of the broader sectors e.g. most of the engineering sector is covered by manufacturing.

levels. However, the Norwich City Council area actually saw an increase of 120 jobs from 2001-07. Broadland accounts for almost a one-fifth of Norfolk's employees within this sector – mainly accounted for by Bernard Matthews, Britain's ninth-biggest food brand, based in Great Witchingham. Other large employers in the Greater Norwich area include Unilever and Kettle Foods. The sector is facing pressure and reduced profits from competitive global pricing and the world-wide sourcing of food products. In response to this, initiatives in the sector are looking at innovative ways in which to diversify and expand niche markets. The sector is supported by Easton College, a dedicated sector training facility. The sector also has links to the Health & Life Science sector.

2.37 Creative Industries: The Creative Industries are those industries that are based on individual creativity, skill and talent. They are also those that have the potential to create wealth and jobs through developing intellectual property. Creative Industries include Advertising, Architecture, Art and Antiques Markets, Computer and Video Games, Crafts, Design, Designer Fashion, Film and Video, Music, Performing Arts, Publishing, Software and Television and Radio. Employment in the Creative Industries is lower than average across Greater Norwich and at its lowest in Broadland, but overall more than 11,000 people are employed in the sector in Greater Norwich – two-thirds of these are based in the built-up urban area. The true employment figure is probably higher - it is widely recognised that the sector has a high proportion of self-employed and freelance workers, working on a project by project basis, who are not captured in official employment figures. Greater Norwich has established strengths in the Creative Industries which make it a key sector in the local economy. These strengths include a cluster of established businesses and organisations and growing smaller companies – companies in clusters, it is believed, have a higher rate of innovation than their non-cluster counterparts. This sort of growth derives from businesses taking advantage of their close proximity to share and create knowledge, through exploiting specialized labour and social networks and through networks of support services. Notable employers include BBC East, Anglia Television, Archant and Imago. The sector is supported by key educational institutions (Norwich University College of the Arts, University of East Anglia and City College Norwich) and a number of public-private initiatives, including CreativeNorfolk and the East of England Production Innovation Centre (EPIC), which will help promote further growth

2.38 Construction: The Construction industry operates on a cyclical basis and is prone to fluctuations in confidence of the UK economy at a macro-economic level – this is reflected to a greater or lesser extent at the regional and local levels depending on conditions 'on the ground' including investment climate and the robustness of the micro-economy. Employment in Construction in Greater Norwich is in line with the national average across the area as a whole but is more concentrated in Broadland and South Norfolk than in the Norwich local

authority area. More than one-third of employees in the local sector work in businesses employing fewer than 10 people and 93% of firms employ less than 10 people. A number of issues affect employment growth trends in the sector; in addition to the current slowdown in housebuilding, these include skills shortages and the recruitment of younger people (the average age of construction workers is 50yrs+). Oxford Economics' forecasts suggest that Construction will be a major growth sector over the coming years because of the projected housebuilding and infrastructure projects needed to support growth. The adoption of sustainable construction techniques will also become increasingly important in coming years and is an area that local firms can develop. Larger employers include RG Carter and May Gurney. The sector is supported by BuildNorfolk and the Construction Industry Training Board National College in Bircham Newton.

2.39 Finance, Banking and Insurance: The Greater Norwich economy has a higher than average concentration of employment in Finance, Banking and Insurance. This is particularly marked in the Norwich local authority area where one in three of the workforce is employed in this sector. The sector makes the largest private sector contribution to the economy. More than 50% of jobs in this sector are higher level knowledge economy jobs and the demand for higher level skills is increasing at a higher rate than in the economy as whole. The sector is supported by the National Skills Academy in Financial Services based in Norwich, one of only four in the country.

- **Financial Services:** Within the Finance, Banking and Insurance sector, the proportion of the Greater Norwich workforce employed in Financial Services is also higher than the national and regional averages; again the sector is particularly strong in Norwich which has been a financial industry base for over 200 years and is the largest general insurance centre in the UK. The built-up urban area is home to major businesses within the sector, which serve the UK from Norwich and include Aviva/Norwich Union, Marsh, Central Trust, Virgin Money and Moneyfacts. However, the majority of companies in the sector employ fewer than 10 workers. The sector is recognised as a genuine financial services cluster and is notable in particular because of the numbers employed – such concentrations of financial services employment are usually found only in much larger cities in the UK. There is further scope to increase employment through the growth of existing companies and through inward-investment attraction, notwithstanding current issues affecting financial services industries at national and international levels.
- **Business and Professional Services:** This is a broad category including a variety of services provided to businesses including banking, insurance, accountancy, legal, consultancy, marketing, commercial property, equipment and plant hire, recruitment, cleaning services etc. There are some overlaps with the financial services sector, as well as with creative industries, which includes advertising and architectural services. The

concentration of Business and Professional Services is strong in the Norwich local authority area and the built-up urban area, but less so in Greater Norwich as a whole. Business and Professional Services is a significant growth sector of the economy with output and employment both growing strongly at national and regional level in recent years and is expected to continue to do so in the future. Many of the jobs within the sector are highly skilled and relatively high wage. In view of its size, the Norwich urban area is well placed to continue to act as a service centre for Norfolk and for parts of the rest of the East of England region. Demand will come from the local economy and from markets elsewhere in the sub-region and the region that lack Norwich's critical mass to have their own substantial Business and Professional Services sector. Larger employers include Targetfollow, PricewaterhouseCoopers, William Lea and Mills & Reeve.

- Public Administration, Education & Health: Greater Norwich has a higher than average proportion of public sector employment, with the highest concentration in South Norfolk where the Norfolk and Norwich University Hospital is based. More than one-half of employees in the sector work in organisations employing more than 200 people. The sector has a high proportion of knowledge workers alongside high levels of low paid, low skill workers.
- Public Administration: Around 6% of employees in Greater Norwich work in Public Administration. Two-thirds of the people employed in this sector in Greater Norwich are based in the Norwich local authority area.
- Education: Almost 9% of Greater Norwich employees work in Education, with more than one-half of these concentrated in the Norwich local authority area.
- Health & Social Work: Around 13% of employees in Greater Norwich work in Health and Social Work, the bulk of these are employed in South Norfolk.

2.40 Retail: Greater Norwich has a thriving retail sector which offers scope for further job growth. As would be expected from a UK top ten shopping centre, Norwich local authority area has a higher than average concentration of Retail employment. The City centre accounts for a significant proportion of regional comparison goods shopping, supported by the outstanding built environment which helps to attract visitors from a broad catchment area. Norwich's retail sector generates £1.17billion per annum; the highest level of retail consumer spend in the region. Retail is also thriving in several of the market towns. The sector is one of the most dynamic in the UK economy in terms of change, innovation and competition. It has a workforce that has a larger than average representation of young people, part-time and un/semi-skilled workers. In addition, the workforce at a store operations level is highly transient. The

workforce is predicted to grow steadily and at the same time experience the replacement requirements of a highly mobile sector - requiring relatively large numbers to be brought into the sector. The prospects of the sector as a whole are linked to the area's wider cultural and heritage offer both inside and outside the city and need to be seen in the context of this wider perspective.

2.41 Health and Life Science employment is higher than average in South Norfolk where Norwich Research Park (NRP) is based. With over 9,000¹³ people the Norwich Research Park has one of Europe's largest single-site concentrations of research in Health, Food and Environmental Sciences with an annual turnover of £275 million. NRP is home to four independent research centres; the John Innes Centre, the Institute of Food Research, the Sainsbury Laboratory and The Genome Analysis Centre. NRP has already generated a number of high-value spin-out companies (e.g. in drug development, DNA profiling, genomics and software development). According to growth projections, Greater Norwich has the potential to increase higher value-added employment in particular by building on the strength of research institutions in the fields of Health, Life Sciences and Environmental Technologies. It is suggested that Greater Norwich could create 1,300 jobs in this sector to 2014 and more than double that number going forward to 2026. The institutions and much of the 'soft' infrastructure needed to promote this jobs growth are already in place.

2.42 Manufacturing: The percentage of employees working in the Manufacturing sector in Greater Norwich is in line with the regional and national averages, but is particularly low in the Norwich local authority area. Broadland has a higher level of Manufacturing employment including a cluster of manufacturing businesses within the Rackheath and Hellesdon Park Industrial Estates which include high spec' manufacturing companies. Rackheath Industrial Estate is well placed to take advantage of the emerging Eco-Town development, with an opportunity to develop environmental and low carbon businesses whilst also increasing the variety of job opportunities in the Greater Norwich area. Local Manufacturing activity is concentrated in the following sub-sectors: Food Processing, Manufacture of rubber and plastic products; Manufacture of fabricated metal products, except machinery and equipment; Manufacture of electrical machinery and apparatus; Manufacture of transport equipment and Manufacture of other non-metallic mineral products. Almost one-half of employees who work in Manufacturing are employed in large companies (200+ employees). The sector is supported by Hethel Engineering Centre aimed at high performance engineering and manufacturing companies.

- **Engineering:** Within the Manufacturing sector, Engineering employment is lower than average across the Greater Norwich area as a whole. Broadland's employment within this sector is roughly in line with the national and regional averages and South Norfolk has a higher than

¹³ This figure includes Norfolk and Norwich University hospital employees

average percentage of employees based in the sector. The Engineering sector includes a range of firms in different subsectors with particular local strengths in (but not limited to) motorsports, the oil and gas sector and aircraft maintenance. Broadland is home to a number of precision engineering companies, many of which trade internationally, including Miltech Precision Engineering Services Ltd on Rackheath Industrial Estate and MSI Defence Systems based in Sprowston. Notable employers in South Norfolk include Lotus Group, Musset Engineering, Syfer Technology Ltd and Carbon Fibre Technologies. Norwich is home to Anglian Group and KLM UK. Many engineering SMEs are located in market towns and village locations and supply local and national markets and frequently niche international markets. A lack of skilled workers remains a key issue for the sector at the national as well as the local level. The Engineering sector has a high proportion of knowledge-based jobs.

2.43 Tourism: Tourism is not just restricted to the leisure market, but also includes commercial visits, day trips and overnight stays and it impinges across a wide variety of businesses. These range from historic houses and gardens, tourist offices, tour operators (which are solely devoted to serving tourists), through to music venues, hotels and restaurants (which primarily although not exclusively serve tourists) to sport and recreational activities, transport services and retailers, a proportion of whose turnover may come from tourists. Also, the businesses that serve tourists directly are supported by a variety of other, often local, businesses. Tourism is becoming one of the most important economic activities in the UK. It not only has an economic impact, but also has a strong influence on other factors such as quality of life and improvements to cultural activities that are of benefit to local inhabitants. Surprisingly perhaps, Tourism employment is lower than average across Greater Norwich, with South Norfolk having the greatest deficit. Employment in Hotels and Catering is in line with national and regional averages but employment in camping sites and other provision of short-stay accommodation is lower. Employment in Bars and Restaurants is also slightly lower than average. Around two-thirds of Tourism employees work in companies employing less than 50 employees. This suggests that there is potential to grow Greater Norwich's Tourism offer to expand local markets.

Company Size

2.44 Table 8 shows the structure of the economy by company size. The Norwich local authority area has a much lower proportion of small companies than at regional and national levels; the proportion in Broadland and South Norfolk is above the regional and national average. Greater Norwich as a whole is in line with the national average.

2.45 Correspondingly, the Norwich local authority area has higher than average levels of companies in the 50-199 and 200+ employee size bands with almost

42% of employees based in businesses that employ more than 200 workers compared to 31% nationally and 28% regionally. South Norfolk and Broadland have lower levels of companies in these size bands. The proportion of employees in businesses that employ more than 200 workers is 28% in Broadland and 19% in South Norfolk. Taking the area as a whole, all size bands are roughly in line with national levels.

| | 1-4 | 1-10 | 11-49 | 50-199 | 200+ |
|------------------------|------------|-------------|--------------|---------------|-------------|
| Greater Norwich | 70.4% | 83.9% | 12.5% | 2.7% | 0.7% |
| Broadland | 74.2% | 85.8% | 11.3% | 2.0% | 0.6% |
| Norwich | 61.8% | 78.2% | 16.5% | 3.9% | 1.2% |
| South Norfolk | 76.6% | 88.5% | 9.0% | 1.8% | 0.4% |
| East of England | 73.0% | 85.7% | 11.0% | 2.6% | 0.5% |
| Gt. Britain | 70.5% | 84.4% | 12.0% | 2.8% | 0.6% |

Source: National Statistics (Nomis: www.nomisweb.co.uk) Annual Business Inquiry 2007
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Employment Projections

2.46 The Employment, Land and Premises Study undertaken by ARUP consultants in 2007 looked at trends in employment over recent years and provided projections by Oxford Economics of overall change and sector change for the period 2001-2026.

2.47 As shown in Table 9, almost all net employment growth in Greater Norwich occurred in Construction, Wholesale and Retail, Finance, Business Services, Education and Health. The rapid expansion of the UEA, major new retail development at Chapelfield in Norwich city centre and the Norfolk and Norwich University Hospital, together with the increase in the rate of housebuilding is likely to have accounted for many of these jobs. The other major trend is the greater job growth in Broadland and South Norfolk, evidence that urban-based growth is not being accommodated within the Norwich local authority boundary.

| Sector | Norwich | Broadland | South Norfolk | Greater Norwich | Norwich Urban Area |
|--------------------------------|----------------|------------------|----------------------|------------------------|---------------------------|
| Agriculture | 0.0 | -0.2 | -0.8 | -1.0 | 0.0 |
| Extraction | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Manufacturing | -3.5 | 0.9 | -1.3 | -3.9 | -3.6 |
| Utilities | -0.6 | -0.1 | 0.0 | -0.7 | -0.7 |
| Construction | 1.7 | 1.3 | 1.2 | 4.1 | 2.5 |
| Wholesale and Retail | 2.6 | 1.6 | 1.7 | 5.9 | 5.3 |
| Hotels and Catering | -1.0 | 0.1 | 0.9 | -0.1 | -0.6 |
| Transport and Comms | -1.0 | 1.0 | 0.4 | 0.5 | -0.4 |
| Finance | 1.8 | 2.0 | -0.1 | 3.7 | 3.2 |
| Business Services | 5.9 | 1.6 | 2.5 | 10.1 | 7.9 |
| Public Administration | -0.9 | 0.9 | 0.5 | 0.5 | -0.5 |
| Education | 1.1 | 1.4 | 1.7 | 4.2 | 2.2 |
| Health | -4.4 | 0.1 | 7.7 | 3.4 | 2.9 |
| Other Personal Services | 0.5 | 0.5 | 0.7 | 1.7 | 1.0 |
| Total | 2.1 | 11.2 | 15.0 | 28.3 | 19.3 |

Source: Greater Norwich Employment Land and Premises Study 2007 (ARUP)

2.48 Employment forecasts to 2025 given in Table 10 show a continuation of this pattern of growth with the strongest growth forecast for Construction, Business Services, Health and Education but rather weaker growth is predicted for the Retail and Finance sectors. Significant levels of growth are also expected in the Tourism (Hotel and Catering) sector.

2.49 Oxford Economics forecast a more even spread of growth between the districts, again with South Norfolk expected to have the highest rate of jobs growth.

| Sector | Norwich | Broadland | South Norfolk | Greater Norwich |
|------------------------------|----------------|------------------|----------------------|------------------------|
| Agriculture | -0.1 | -0.7 | -1.3 | -2.1 |
| Manufacturing | -2.7 | -2.2 | -2.2 | -7.1 |
| Construction | 2.5 | 1.5 | 2.1 | 6.1 |
| Wholesale of vehicles | 0.6 | -0.3 | 0.6 | 0.9 |
| Retail | 1.1 | 0.1 | 1.1 | 2.3 |
| Hotels & Catering | 1.2 | 0.7 | 1.3 | 3.2 |

| | | | | |
|--|-------------|------------|-------------|-------------|
| Transport & Communications | -0.2 | 0.7 | 1.3 | 1.8 |
| Finance | -0.5 | 0.6 | 0.1 | 0.2 |
| Business Services | 6.0 | 2.1 | 4.3 | 12.4 |
| Public Administration | -0.1 | 0.9 | 0.5 | 1.3 |
| Education | 1.2 | 0.9 | 2.3 | 4.4 |
| Health | 0.9 | 1.3 | 5.2 | 7.4 |
| Other Personal Services | 0.5 | 0.4 | 0.9 | 1.8 |
| Total | 10.5 | 4.6 | 15.5 | 30.6 |
| Source: Greater Norwich Employment Land and Premises Study 2007 (ARUP) | | | | |

- 2.50 The forecasts suggest that the overall level of job growth together with the growth between 2001 and 2005 will be more than sufficient to provide the number of new jobs required in accordance with the East of England Plan. About three-quarters of the jobs are expected to be as a direct result of population growth resulting in increased demand for health education and other services. The forecasts are based on a projection of long term sector trends and cannot take into account future, major structural shifts or changes in macroeconomic conditions.
- 2.51 At the time of the study the first signs of the credit crunch were becoming apparent, but the extent of the economic downturn was not clear. Oxford Economics also prepared forecasts based on an assumption of lower growth and an assumption that the level of housebuilding would be constrained by planning policy.
- 2.52 The low growth forecast resulted in significantly lower forecasts of job growth, associated with increases in both unemployment and a reduction in the proportion of the economically active workforce. In effect, this implies a zero level of net job growth beyond 2005 because of the increase of 18,000 jobs that occurred between 2001 and 2005.

| Scenario | Employees | Population | Dwellings |
|------------------------|------------------|-------------------|------------------|
| Baseline scenario | 44.5 | 63.5 | 44.2 |
| Lower growth scenario | 18.7 | 50.1 | 37.9 |
| RSS dwellings scenario | 39.7 | 49.4 | 38.2 |

Occupational Breakdown

- 2.53 Table 12 suggests that, as with industrial structure, occupational structure shows a marked divergence between the districts but the overall picture for the Greater Norwich area is quite close to regional and national averages.

- 2.54 This indicates that the low level of earnings across Greater Norwich cannot be explained by the occupational structure and that the level of pay for comparable jobs is lower in Greater Norwich than regionally or nationally.
- 2.55 Greater Norwich differs from the regional and national pictures in that it has a lower proportion of its resident population employed as Managers and Senior Officials than at the national and regional level. Noticeably lower levels of these occupations in the Norwich local authority bring down the overall figure.
- 2.56 Conversely, the percentage of the resident population employed in Professional and Technical occupations is higher across Greater Norwich as a whole and within the individual districts than at the regional and national levels. This is accounted for by Business and Public Service Associate Professionals.
- 2.57 With the exception of lower levels of Process & Machine Operatives, all other occupations are in line with regional and national averages.

| | Greater Norwich | Broadland | Norwich | South Norfolk | East of England | Gt. Britain |
|------------------------------------|------------------------|------------------|----------------|----------------------|------------------------|--------------------|
| Managers | 14.0% | 18.0% | 8.7% | 15.5% | 16.4% | 15.4% |
| Professional | 13.3% | 9.2% | 16.2% | 14.6% | 13.4% | 12.9% |
| Associate Professional & Technical | 16.9% | 16.2% | 18.3% | 16.3% | 14.5% | 14.6% |
| Total Groups 1-3 | 44.2% | 43.4% | 43.2% | 46.4% | 44.3% | 42.9% |
| Administrative & Secretarial | 11.4% | 11.0% | 10.7% | 12.7% | 11.3% | 11.6% |
| Skilled Trades | 11.5% | 15.9% | 9.5% | 9.3% | 11.4% | 10.8% |
| Total Groups 4-5 | 22.9% | 26.9% | 20.2% | 22.0% | 22.7% | 22.4% |
| Personal Services | 7.7% | 6.9% | 6.0% | 10.4% | 8.1% | 8.1% |
| Sales & Customer Service | 8.9% | 7.2% | 15.5% | 3.7% | 6.9% | 7.6% |
| Total Groups 6-7 | 16.6% | 14.1% | 21.5% | 14.1% | 15.0% | 15.7% |
| Process & Machine Operatives | 4.8% | 4.9% | 4.5% | 5.2% | 6.7% | 7.2% |
| Elementary | 11.3% | 10.7% | 10.7% | 12.4% | 11.1% | 11.5% |
| Total Groups 8-9 | 16.1% | 15.6% | 15.2% | 17.6% | 16.8% | 18.7% |

Source: National Statistics (Nomis: www.nomisweb.co.uk) Annual Population Survey 2007
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Skills and Qualifications

- 2.58 Table 13 overleaf shows that across the Greater Norwich area as a whole, the percentage of the working age population qualified to Level 4 and above (degree level) is on par with the national average and slightly above the regional average. Both the Norwich and South Norfolk local authority areas have higher than average levels of residents with higher level qualifications.
- 2.59 Greater Norwich also has higher than average levels of working age residents who are qualified to Level 3, with Broadland having the largest percentage of the three districts.

2.60 Correspondingly, the percentage of Greater Norwich's working age population whose highest qualification is at Level 2 is below the regional and national averages. Broadland has a higher than average proportion of residents with a Level 1 qualification as their highest qualification. Greater Norwich¹⁴ as a whole has a lower than average percentage of the working age population with no qualifications.

| | Greater Norwich | Broadland | Norwich | South Norfolk | East of England | UK |
|--|------------------------|------------------|----------------|----------------------|------------------------|-----------|
| % with NVQ4+ - working age | 28.3 | 23.4 | 31.7 | 29.0 | 26.0 | 28.5 |
| % with NVQ3 only - working age | 17.7 | 18.6 | 17.1 | 17.5 | 15.0 | 15.6 |
| % with NVQ2 only - working age | 14.2 | 14.3 | 13.2 | 15.2 | 16.4 | 15.9 |
| % with NVQ1 only - working age | 15.5 | 16.5 | 14.8 | 15.2 | 16.0 | 13.5 |
| % with no qualifications - working age | 11.7 | 13.4 | 10.8 | 11.2 | 12.5 | 13.4 |

Source: National Statistics (Nomis: www.nomisweb.co.uk) Annual Population Survey 2007
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Earnings

2.61 As shown in the Table below, median earnings are significantly below the regional and national levels across the three districts. Whilst this may be viewed as a strength in terms of the competitive position of businesses, it is also a weakness in terms of the prosperity of the area and the level of disposable income available within the local economy.

| | Residence-based | Workplace-based |
|------------------------|------------------------|------------------------|
| Broadland | £22,911 | £23,095 |
| Norwich | £22,627 | £22,846 |
| South Norfolk | £24,593 | £24,076 |
| East of England | £26,546 | £24,887 |
| Great Britain | £25,266 | £25,230 |

Source: Annual Survey of Household Earnings (ASHE) 2008

¹⁴ However, the percentage of the population with no qualifications for Norwich Local Authority has fluctuated by 9 percentage points since 2000 compared to 4.2 regionally and 4.4 nationally – assume therefore that this is due to a large margin of error in the data.

- 2.62 Over the year, residence-based earnings have risen faster in Broadland (+5.5%) and South Norfolk (+5.1%) than at the regional (+3.9%) and national (+4.6%) levels. Resident earnings in the Norwich local authority area showed weaker growth (+1.3%).
- 2.63 Workplace-based earnings showed even stronger growth than residence-based earnings in Broadland (+9.6%) and South Norfolk (15.2%) over the year. As before, workplace-based earnings in Norwich grew more slowly (+3.1%), in line with regional growth (+3.4%) but slower than the growth in workplace-based earnings nationally (+4.5%).
- 2.64 Relatively low earnings mean that housing affordability is becoming a key issue in Greater Norwich as new developments are built to cater for an increasing population and to meet the area's requirements for 37,500 new homes by 2026. The Housing Affordability Ratio is based on average house price and average annual salary - the higher the ratio, the less affordable houses are; in Greater Norwich it stands at around 7:1. Therefore, the average home in Greater Norwich costs 7 times the average salary of people living in the area.
- 2.65 The proportion of residents earning less than £7 per hour stands at 27.5% in Broadland district, 32.9% in the Norwich local authority area and 21.7% in South Norfolk district. The Norwich local authority area ranks as the 27th worst district in England on this measure (Broadland 118th, South Norfolk 264th).

Education and Training

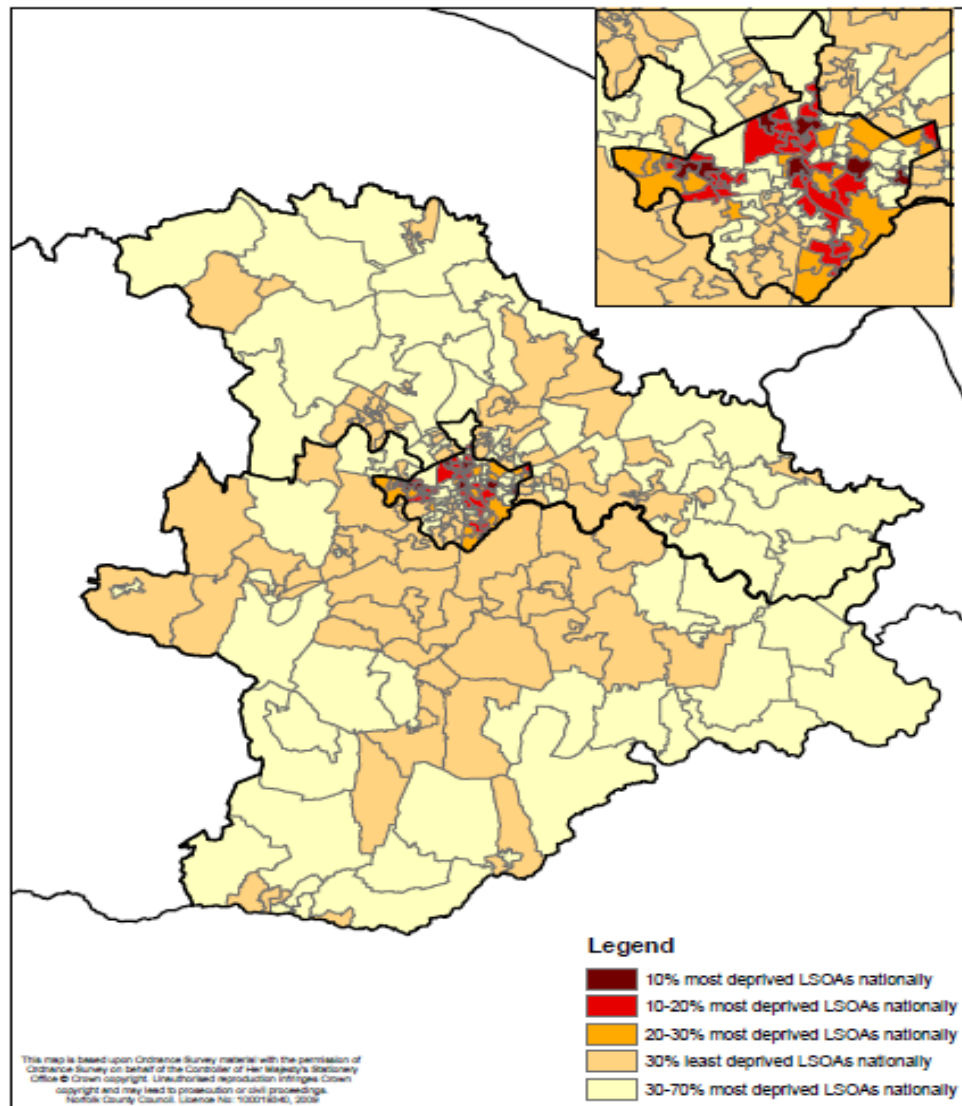
- 2.66 **University of East Anglia (UEA):** The UEA offers a choice of over 300 courses in 23 schools of study. It has more than 9,000 undergraduate students and nearly 4,000 postgraduates studying on campus. Of these, over 2,250 are non-UK students from more than 100 countries worldwide. Over 50 per cent of the University's research activity is deemed to be world leading or internationally excellent with 87% in total being of international standing. It is a leading member of the Norwich Research Park and home to the Tyndall Centre for Climate Change.
- 2.67 **Norwich University College of the Arts (NUCA):** NUCA provides a range of degree courses, whilst specialising in teaching arts, design and craft. NUCA is host to almost 1,500 students, studying a wide range of arts, design and media disciplines at Undergraduate, Postgraduate and Doctoral level. NUCA have 5 specialist research centres – animation and sound, art and design education, art and design interpretation and curation, design and fine art.
- 2.68 **City College Norwich:** The College is one of the UK's largest further and higher education colleges. City College Norwich offers a range of further education courses at GCSE and A level (AS and A2). The School of Technology has over 1,250 students divided into 6 curriculum areas. The College has three Centres of Vocational Excellence (CoVEs) in: Accountancy and Financial Services, Computing and Networking and Hospitality (the Hotel

School). The College also offers full-time degrees, professional and postgraduate qualifications.

- 2.69 **Easton College:** The main focus of the College is vocational courses, traditionally for the agricultural and horticultural industries but this has been complemented over recent times with the development of a broader range of specialist vocational courses, ranging from equestrian studies and animal care through to countryside management, sport studies and public services. Qualifications such as First, National and Higher National Diplomas making up the majority of full-time provision - Foundation Degrees are offered at Easton College in various subjects.
- 2.70 **Work Based Learning:** Greater Norwich is particularly fortunate with regard to Work Based Learning (WBL) training providers. They comprise public sector, private sector and third sector organisations delivering a range of vocationally relevant qualifications and Skills for Life provision through Apprenticeships, Train to Gain, New Deal and Entry to Employment. These range from Entry Level to Level 5 provision and also include management programmes, business development and teacher training programmes. Details of Norfolk WBL providers can be found on the Association of Learning Providers (ALP) website at www.ALPEast.org.

Deprivation

Figure 3 Deprivation across Greater Norwich 2007



2.71 The Index of Multiple Deprivation 2007 combines a number of indicators, chosen to cover a range of economic, social and housing issues into a single deprivation score for each small area in England. This allows each area to be ranked relative to one another according to their level of deprivation. There are six district summary scores for each Local Authority district (there are 354 districts in England). A relative ranking of areas, according to their level of deprivation is then provided. There are also supplementary Indices measuring income deprivation amongst children and older people: the Income Deprivation Affecting Children Index (IDACI) and the Income Deprivation Affecting Older People Index (IDAOP). Together these various Indices make up the Indices of Deprivation 2007.

- 2.72 The Indices are used widely to analyse patterns of deprivation, identify areas that would benefit from special initiatives or programmes and as a tool to determine eligibility for specific funding streams.
- 2.73 Figure 3, shown at the beginning of this section, presents the pattern of deprivation in Greater Norwich in terms of the Index of Deprivation 2007 and illustrates the very wide variations within the area. Much of the Norwich local authority area is ranked within the 20% most deprived districts in the country and it is ranked as the second most deprived district in the East of England. Conversely much of South Norfolk, parts of Broadland and the south west of Norwich are ranked within the 30% least deprived areas of the country.
- 2.74 The Tables that follow summarise the proportion of the population falling within the worst 10%, 20% and 30% of population in England for each of these domains.
- 2.75 Any figure above 10% in Table 15 indicates an above average level of deprivation. Greater Norwich has lower levels of deprivation than the country as a whole except in relation to education skills and training. In the Norwich local authority area the extent of deprivation in relation to education, skills and training is particularly severe, affecting more than 30% of local residents.
- 2.76 Norwich also has a high level of deprivation in relation to income deprivation affecting children. Broadland and South Norfolk do not have any areas in the worst 10% except in relation to barriers to housing and services; South Norfolk has high levels of deprivation in relation to barriers to housing and services.

| | Greater Norwich | Broadland | Norwich | South Norfolk |
|--|------------------------|------------------|----------------|----------------------|
| Index of multiple deprivation | 3.0% | 0 | 8.7% | 0 |
| Income deprivation | 3.8% | 0 | 10.9% | 0 |
| Income deprivation affecting children | 4.3% | 0 | 12.4% | 0 |
| Income deprivation affecting older people | 3.0% | 0 | 8.6% | 0 |
| Employment | 4.8% | 0 | 13.8% | 0 |
| Health and disability | 2.1% | 0 | 6.2% | 0 |
| Education skills and training | 10.5% | 0 | 30.0% | 0 |
| Barriers to housing and services | 7.9% | 5.2% | 3.2% | 15.9% |
| Crime and disorder | 4.0% | 0 | 11.6% | 0 |
| Living Environment | 3.1% | 0 | 10.3% | 0 |

Source: Compiled by Norfolk Data observatory from Index of Multiple Deprivation – CLG

2.77 Any figure above 20% in Table 16 indicates an above average level of deprivation. For Greater Norwich as a whole deprivation is generally less severe than for the country as a whole across all domains. However, in the Norwich local authority area almost 50% of the population are in the worst 20% of areas in England in relation to education skills and training. Norwich has a higher proportion in the worst 20% across all domains except barriers to housing and services. Broadland and South Norfolk have no areas in the worst 20% on most indicators and a very low proportion in others except in relation to barriers to housing and services. For this domain the South Norfolk has high levels of deprivation.

| | Greater Norwich | Broadland | Norwich | South Norfolk |
|---|------------------------|------------------|----------------|----------------------|
| Index of multiple deprivation | 11.9% | 0 | 34.2% | 0 |
| Income deprivation | 11.1% | 0 | 31.9% | 0 |
| Income deprivation affecting children | 13.2% | 0 | 37.9% | 0 |
| Income deprivation affecting older people | 10.1% | 0 | 28.9% | 0 |
| Employment | 11.9% | 0.9% | 33.4% | 0 |
| Health and disability | 9.0% | 0 | 25.7% | 0 |
| Education skills and training | 17.4% | 0 | 47.2% | 2.8% |
| Barriers to housing and services | 18.2% | 16.9% | 10.3% | 28.3% |
| Crime and disorder | 10.3% | 0 | 29.5% | 0 |
| Living Environment | 11.6% | 0 | 33.2% | 0 |

Source: Compiled by Norfolk Data observatory from Index of Multiple Deprivation – CLG

2.78 Any figure above 30% in Table 17 indicates an above average level of deprivation. The picture in Greater Norwich as a whole continues to be better than for the country across all domains. However, in Norwich about half of the population live in the 30% most deprived areas in England for all domains except barriers to housing and services. Nowhere in South Norfolk or Broadland is in the 30% worst areas in terms of the Index of Multiple Deprivation. Levels of deprivation are very low in South Norfolk and Broadland except in relation to barriers to housing and services where it is quite close to the national average.

| | Greater Norwich | Broadland | Norwich | South Norfolk |
|-------------------------------|------------------------|------------------|----------------|----------------------|
| Index of multiple deprivation | 19.3% | 0 | 55.3% | 0 |
| Income deprivation | 18.3% | 0 | 51.3% | 1.4% |

| | | | | |
|---|-------|-------|--------------|--------------|
| Income deprivation affecting children | 21.7% | 0 | 61.0% | 1.4% |
| Income deprivation affecting older people | 19.1% | 0 | 51.6% | 3.6% |
| Employment | 17.2% | 0.95 | 45.8% | 2.8% |
| Health and disability | 15.4% | 0 | 44.2% | 0 |
| Education skills and training | 22.9% | 4.5% | 56.0% | 5.7% |
| Barriers to housing and services | 25.8% | 24.9% | 17.7% | 35.5% |
| Crime and disorder | 17.8% | 0 | 49.7% | 1.4% |
| Living Environment | 15.1% | 0 | 43.3% | 0 |
| Source: Compiled by Norfolk Data observatory from Index of Multiple Deprivation – CLG | | | | |

2.79 The levels of multiple deprivation in the Norwich local authority area create a complex set of problems which result in large numbers of people being excluded from, or on the margins of, economic activity. These problems have been analysed in detail in the Norwich Needs Study¹⁵. Problems of poverty, poor health and low levels of skill sit alongside and contribute to mental health problems, substance abuse and teenage pregnancy. These problems result in poor prospects for children including low attainment and relatively high numbers of children leaving school and classed as Not in Employment, Education or Training (NEET), contributing to a cycle of deprivation which is difficult to break.

2.80 A similar study was undertaken by OCSI to analyse the extent of rural deprivation in Norfolk¹⁶ at a very local level. This study suggests a more one dimensional problem in the rural areas, with the main problems relating to accessibility to services and the affordability of housing. There are small pockets of deprivation relating to other indicators in the market towns but these do not compare in extent or severity with the problems prevalent in the Norwich local authority area.

Employment Land and Premises

2.81 This section summarises the main findings of the Employment Growth, Land and Premises Study¹⁷ prepared as part of the evidence base for the Joint Core Strategy.

¹⁵ Oxford Consultants for Social Inclusion: Norwich Needs Study, Research for Local Area Agreement 2007

¹⁶ Oxford Consultants for Social inclusion: Deprivation in Rural Norfolk 2006

¹⁷ ARUP Consultants: Greater Norwich Employment Growth Land and Premises Study 2007

| Table 18 Greater Norwich Property Stock | | | |
|--|--------------|--------------|---------------------------|
| | 2001 | 2006 | % change 2001 - 06 |
| Units | | | |
| Total units | 8,808 | 9,475 | 8% |
| Offices | 1,912 | 2,085 | 9% |
| Factories | 2,011 | 1,995 | -0.8% |
| Warehouses | 1,570 | 1,656 | 5% |
| Floorspace '000sq m | | | |
| Total floorspace | 3,588 | 3,821 | 6% |
| Offices | 543 | 640 | 18% |
| Factories | 1,497 | 1,463 | -2% |
| Warehouses | 748 | 860 | 15% |

2.82 As shown in Table 18, the total stock of employment floorspace is almost four million square metres and expanded by about 6% between 2001 and 2006. However, while office space grew by 18% and warehousing by 15%, industrial space declined by 2%. Most of the change results from relatively large office and warehouse units - the increase in floorspace is about twice that of the number of units.

2.83 Table 19 shows that office and industrial rents in the built-up urban area of Norwich are similar to Ipswich and slightly higher than in Peterborough, but significantly lower than in Cambridge and Chelmsford. However retail rentals are substantially higher in Norwich than in Ipswich and Chelmsford, comparable with Peterborough but less than those in Cambridge.

| Table 19 Rents – Urban centres in East of England 2006 (per sq ft) | | | |
|--|-------------------------------|---------------------------|------------------------|
| | Office (Prime Central) | Industrial (Prime) | Retail (Zone A) |
| Cambridge | £23.00 | £7 - £8.00 | £280.00 |
| Chelmsford | £25.00 | £8.00 | £173.00 |
| Ipswich | £15.50 | £6.25 | £150.00 |
| Norwich | £15.50 ¹⁸ | £6.25 | £220.00 |
| Peterborough | £13.00 | £6 - £7.50 | £220.00 |

2.84 A consequence of the relatively low office rents is relatively little speculative office development in Greater Norwich. Most office space in recent years has been purpose built, particularly by the public sector and Aviva or pre-let prior to construction. This tends to mean that the supply of readily available office space is limited.

2.85 The Employment Growth, Land and Premises Study has produced forecasts of the need for office and industrial floorspace to 2026 based on the employment

¹⁸ Business park rent - no central prime figure available

growth forecasts and evidence of recent take-up rates. The forecasts also incorporate allowance for the need to accommodate the movement of companies between premises that is not, necessarily, related to employment growth. The forecasts are based on two growth scenarios: the first is the baseline model based on Oxford Economics' baseline model and the second, slightly lower forecast based on the Regional Spatial Strategy's proposals. The difference between the two scenarios is small and the study recommends the use of the baseline scenario for planning purposes.

- 2.86 Although the employment forecasts expect an overall decline in industrial employment, the evidence of recent years is that there is continuing demand for new industrial floorspace, as manufacturing methods change, resulting in higher space requirements.
- 2.87 Having established the floorspace requirement the Study estimated the effect of this on the need for land. This can only be taken as a rough guide, particularly with regard to office development. Office development in out of town business parks tends to be much more extensive than town centre development with lower rise development and extensive on-site car parking and landscaping. The study assumes that 75% of new office floorspace will be in out of town locations.

| Table 20 Land Demand 2007- 2026 (hectares) Baseline Scenario | | | | | |
|---|-------------|-------------|-------------|-------------|-------------|
| | 2007 | 2012 | 2017 | 2022 | 2026 |
| B1 | 293 | 331 | 371 | 399 | 419 |
| B2/B8 | 547 | 580 | 614 | 643 | 671 |
| Total | 840 | 910 | 984 | 1042 | 1090 |
| B1 change from 2007 | 0 | 38 | 48 | 77 | 126 |
| B2/B8 change from 2007 | 0 | 33 | 41 | 71 | 124 |
| Total change from 2007 | 0 | 71 | 89 | 147 | 250 |

- 2.88 This places great reliance on bringing forward Norwich Research Park - the type of provision at this location will be very specific. Options for the balance include: further space in the City Centre, new business park allocations associated with new housing allocations and/or greater use of the Longwater Employment Area as an office park.
- 2.89 The Study also identified a qualitative need for business start-up and grow-on space providing flexible occupation arrangements, shared services and access to business support. It is suggested that this need could be met in a combination of locations in the urban and rural areas. These sites should also be accessible to communities in deprived areas to support enterprise opportunities in these areas.

3. Sustainability

3.1 One of the core values of the Greater Norwich Economic Strategy is to ensure that development is sustainable in the long term. This section sets out a baseline position for a range of sustainability indicators, summarised in Table 21, which relate to the regional priorities for sustainable development.

| Table 21 Baseline characteristics of Greater Norwich in relation to 10 East of England Sustainable Development Priorities | | | | | |
|--|--|------------------------|----------------|-------------------|----------------------|
| IRF Sustainable Development Objective | Baseline Indicator | Greater Norwich | Norwich | Broadland | South Norfolk |
| 1. Promote sustainable growth within environmental limits | % of working age population in employment | | 72.40% | 81.20% | 79.70% |
| | Job Density: ratio of jobs filled to working age population (2004) | | 1.21 | 0.68 | 0.75 |
| | Job Seekers Allowance claimants as % of working population | | 3.80% | 1.40% | 1.50% |
| | % job seekers allowance claimants out of work for more than 1 year (Audit Commission and LA reports) | | 18.00% | 15.70% | 14.70% |
| 2. Reduce poverty and inequality and promote social inclusion | % of working age population claiming key benefits (Feb 2007, Audit Commission) | | 13.86% | 6.63% | 6.30% |
| | % of population working age (16-74) Long term unemployed (ONS, 2001) | 1.11% | 1.30% | 0.56 | 0.58% |
| | % of children living in income deprived families (ONS, 2001) | 16.4% | 30.30% | 9.3% | 9.5% |
| | % of population >60 who live in income deprived households (ONS, 2001) | | 18.50% | 10.1% | 11.1% |
| | Life expectancy at birth (2003-5) males (SHA) | 78.4yrs | 76.8yrs | 78.6yrs | 80yrs |
| | Life expectancy at birth (2003-5) females (SHA) | 82.1yrs | 82.4yrs | 82.3yrs | 82.9yrs |
| IRF Sustainable Development Objective | Baseline Indicator | Greater Norwich | Norwich | Broad-land | South Norfolk |
| 3. Reduce greenhouse gas emissions | Total CO2 emissions per capita (tonnes Carbon equivalent) pa (2003, DEFRA) | | 6.5 | 6.4 | 8.6 |
| | Renewable energy generating capacity installed (2006, Audit Commission) | 41 Mwe | 0 | 36 | 5 |
| 4. Adapt to the impacts of climate change | Development permissions contrary to EA advice on flood risk (2005/6, Environment Agency) | 1 | 0 | 0 | 1 |
| | Daily domestic water use per capita L per capita/per diem (2004, Ofwat) | 140 | 131 | 131 | 158 |

| | | | | | |
|--|--|--------|--------|--------|--------|
| 5. Promote employment, learning, skills and innovation | Work Force qualifications: % of working age population with NVQ4 or above (2006, Audit Commission) | | 37.50% | 25.10% | 35.10% |
| 6. Increase resource efficiency and reduce resource use and waste | Eco footprint global hectare per capita (REAP model) | 5.68 | 5.49 | 5.76 | 5.8 |
| | Waste (kg/pa) generated per person (2005/6, Audit Commission) | 380 | 403 | 407 | 329 |
| | % of household waste recycled (2005/6, Audit Commission, LA BVPIs) | | 18.37% | 32.27% | 28.58% |
| | % of household waste recycled (2007, Audit Commission, LA BVPIs) | | 23.6% | 47.5% | 38.47% |
| 7. Move goods and people sustainably | % of residents who travel to work (2001, ONS census) by | | | | |
| | a) private motor vehicle | 65.4% | 52% | 72.2% | 72.4% |
| | b) public transport | 7.7% | 9.4% | 7.6% | 5.1% |
| | c) by foot or cycle | 16.9% | 31.5% | 9.8% | 9.8% |
| | d) work at - or mainly at - home | 9.5% | 6.7% | 9.8% | 12.0% |
| | Average distance traveled to workplace by residents (Km - 2001 census) | 13.7% | 10.8% | 14.4% | 16.0% |
| 8. Provide decent, affordable and safe homes for all | % of total housing stock that is affordable (2001, ONS census) | | 36% | 9% | 11% |
| | % of overall stock not meeting Decent Homes standard (2005/6, Audit Commission) | 29.70% | 30.50% | 27.60% | 31.20% |
| | Housing completions (2004-5, Audit Commission) | 1301 | 581 | 274 | 446 |
| | % of last year's dwellings completions that are 'affordable' (2004/5, Audit Commission) | 29.30% | 36.40% | 28.40% | 20.80% |
| | House price to income ratio (2004, (Joseph Rowntree Foundation) | | 4.06 | 4.16 | 4.04 |

Source: Compiled by Ursus Consultants from a range of sources

- 3.2 Table 22 shows significant differences between the three districts in Greater Norwich in overall carbon emission levels and the source of carbon emissions. Emissions percapita are higher in South Norfolk than in Broadland or Norwich because of the high levels relating to road transport, reflecting the more rural nature of the district, the longer average journey to work and lower use of public transport. Carbon emissions in both Norwich and Broadland are lower than the regional and national averages.
- 3.3 According to Norfolk County Council and Department of Transport data, traffic flows in all types of vehicle were 8,254 million vehicle kilometres in 2006 suggesting average car travel of 9,915 km/capita per annum compared to 9,534 km/capita per annum in 2001; 4% growth in 5 years. Continued

population growth and car use on this trajectory to 2020 would result in a huge growth in both absolute and per capita carbon emissions even when improvements in technology are taken into account.

| | Population (mid-year estimate 2006) | CO ₂ emissions (k tonnes) | | | | | | | |
|----------------------------|--|--------------------------------------|---------------|----------------|---------------|----------------|---------------|----------------|---------------|
| | | Industry and Commercial | | Domestic | | Road Transport | | Total | |
| | | Total | Per capita | Total | Per capita | Total | Per capita | Total | Per capita |
| Broadland | 122.2 | 215.5 | 1.8 | 305.7 | 2.5 | 256.3 | 2.1 | 777.5 | 6.4 |
| Norwich | 129.5 | 443.5 | 3.4 | 282.4 | 2.2 | 115.4 | 0.9 | 841.3 | 6.5 |
| South Norfolk | 116.2 | 299.7 | 2.6 | 287.2 | 2.5 | 412.7 | 3.6 | 999.6 | 8.6 |
| East of England | 5,607 | 15,792 | 2.8 | 13,912 | 2.5 | 11,172 | 2.0 | 40,876 | 7.3 |
| UK | 60,588 | 194,860 | 3.2 | 153,605 | 2.5 | 102,840 | 1.7 | 451,305 | 7.4 |

Source: DEFRA data supporting National Indicator 186: Per capita CO₂ emissions in local authority area.

Performance Management

- 3.4 Further work is required on the improvement targets for the Greater Norwich Economic Strategy performance indicators (see detailed explanation below). In the interim, the 2009 baseline position has been provided for each performance indicator and is available as a separate document.
- 3.5 All LAA indicators that have also been selected as performance indicators for the Greater Norwich Economic Strategy will provide the LAA baseline figure and the LAA targets for these indicators will be used up to 2011 – the time period covered by the current LAA. After 2011 previous trends will be extrapolated to provide quantitative targets up to 2014. This process is also problematic in that the LAA does not disaggregate targets to district level. To address this, the previous contributions made to LAA targets by the 3 districts will have to be disaggregated and targets set proportionately in respect of this contribution i.e. it is not just a case of dividing the targets equally between the 7 Norfolk districts.
- 3.6 Where possible the local indicators that have been selected as performance indicators for the GNES will provide the 2009 baseline figure and previous trends will be extrapolated to provide quantitative targets up to 2014.

Appendix

More detailed information on the economy of Greater Norwich may be obtained from the following sources and publications.

Data Sources

Norfolk Insight. (formerly Norfolk Data Observatory) Demographic and deprivation data can be customised to individual requirements. www.norfolkinsight.gov.uk

Office of National Statistics. A wide range of population and employment data www.nomisweb.co.uk

Department of Communities and Local Government (DCLG). The 2007 Index of Multiple Deprivation: <http://www.communities.gov.uk/communities/neighbourhoodrenewal/deprivation/deprivation07/>

Publications

Employment Growth Sites and Premises Study. (2007) Prepared for Greater Norwich Development Partnership by ARUP and Oxford Econometrics: http://www.gndp.org.uk/documents_view.php?document_id=464&pageid=76

Norwich Area Growth, Infrastructure Needs and Funding Strategy. (2007) Prepared for Greater Norwich Development Partnership by EDAW / AECOM: http://www.gndp.org.uk/documents_view.php?document_id=463&pageid=76

Knowledge Economy Strategy. (2009) Prepared for Greater Norwich Development Partnership by SQW Consulting.

Ideopolis: Knowledge City Regions: Enabling Norwich in the Knowledge Economy (2006) Prepared for Norwich City Council by The Work Foundation: <http://www.theworkfoundation.com/research/publications/publicationdetail.aspx?oltemId=160&parentPage>

10 years of the UK's Knowledge Economy (2007) The Work Foundation: <http://www.theworkfoundation.com/research/publications/publicationdetail.aspx?oltemId=76&parentPage>

Norwich Needs Study: Oxford Consultants for Social Inclusion (OCSI) (2007) Research for the Local Area Agreement: Deprivation in Norwich.

Deprivation in Rural Norfolk: Oxford Consultants for Social Inclusion (OCSI) (2006) Deprivation in Rural Norfolk.