

## UNEMPLOYMENT STATISTICS

### *November 2007 Summary*

Based on 2001 Census wards – rates expressed as a percentage of economically active population. These are not comparable with ONS figures

- The unadjusted unemployment total for Worcestershire was 5, 227 in November 2007. This represents a decrease of 185 claimants from the previous month.
- The Worcestershire unemployment rate is 1.9%. This remains the same from the previous month.
- The county rate (1.9%) compares favourably with the unemployment rates for the West Midlands region (3.8%) and England and Wales (2.8%). Please note these rates are not comparable with ONS-produced figures.
- Across the county, the Districts with the highest and lowest unemployment rates are Worcester (2.1%) and Malvern Hills (1.1%) respectively.
- The male unemployment rate in Worcestershire stood at 2.2% in November 2007, compared to the female rate of 1.0%. Both rates are lower than those for the previous month.
- In terms of urban centres, Worcester had the highest unemployment rate at 2.6%. The lowest unemployment rate was in Bewdley (1.2%).
- National Statistics have published the vacancy dataset. Figures from October 2006 to November 2007 are included.

The Research & Intelligence Unit produces this document monthly. If you have any questions or queries please contact the unit on 01905 822022 or email: [pmcdonald3@worcestershire.gov.uk](mailto:pmcdonald3@worcestershire.gov.uk)

## NATIONAL ECONOMIC NEWS

### CASH OVER BRICKS AND MORTAR

Reports by mortgage lenders and surveyors suggest that rising interest rates, property market uncertainty and a squeeze on credit lending are deterring small investors from the buy-to-let market. Investors are reportedly now favouring cash over bricks and mortar. The buy-to-let market has been under increasing strain in the past year. Interest rates have risen, while rents have until recently been stagnant. Yields have fallen to an average of about 5% and in some cases have fallen below mortgage interest rates. Lenders are also making life more difficult for prospective landlords by tightening borrowing conditions. Figures from the Council of Mortgage Lenders show a 3% fall in the number of buy-to-let mortgages taken out in the first half of this year compared with the previous six months.

*Financial Times 19 November 2007*

### BRITISH BEEF AND LAMB UNDER THREAT

The NFU West Midlands regional office is calling on the public and consumer groups to back a new campaign to highlight the importance of Britain's threatened beef and lamb sector. The call follows a report that has shown 72% of shoppers want to be able to buy British beef and lamb, and 80% believe supermarkets should be offering farmers a fair deal. In a show of strength to harness consumer support, the NFU, together with The Townswomen's Guild, the Women's Food and Farming Union, the National Council of Women, the English Beef and Lamb Executive, The Campaign to protect Rural England and Farmers Guardian, has launched the "Why Beef and Sheep Farming Matter" campaign. The campaign aims to raise awareness of the current crisis facing the sector and to encourage people to buy British. NFU West Midlands regional director, David Collier, said: "We are calling on people who care where their food comes from to put pressure on the supermarkets and the catering trade by insisting on British produce and asking them to ensure that the farmer receives a fair price for it. "Grazing livestock is hugely important to the ecology and environment of the region and the industry support jobs. Beef and sheep farming is important to consumers, the countryside, to rural communities and the region's economy and we would encourage as many people as possible to back the campaign."

[www.nfuonline.com](http://www.nfuonline.com) 23 November 2007

### CITY HOUSING PLANS MOTHBALLED

A growing crisis in the buy-to-let sector is leading builders to "mothball" city centre developments until investor demand picks up. In what will be a blow to government plans to accelerate house building, a slump in residential investment demand in areas such as the North and the Midlands is leading to the delay of hundreds of new homes. Typically, new-build homes are sold "off-plan" before development, a market that has been driven by buy-to-let investors in recent years. Builders are now quietly admitting that demand has dried up in certain city centre locations. However, the oversupply of city centre apartments does not change the fundamental demand for new housing, according to David Pretty, chairman of the New Homes Marketing Board. "There is a clear distinction

between luxury apartments in some city centres where there has been an acknowledged problem for some time and affordable homes where generally there is not enough supply," he said.

*Financial Times 19 November 2007*

### **M&S IS BRITAIN'S FAVOURITE FIRM**

Marks and Spencer has beaten Tesco to be named the UK's most admired company. The company notched up the highest score in the history of the award, from magazine Management Today, and beat 219 other competitors to finish top in five out of nine categories. These covered the quality of goods and services, the ability to attract and retain talent, value as a long-term investment, quality of marketing and use of corporate assets. In third place was BSKyB, which topped every category in the media sector, climbing 36 places from 39<sup>th</sup> last year.

[www.icbirmingham.co.uk](http://www.icbirmingham.co.uk) 30 November 2007

### **A BLEAK CHRISTMAS FOR INDEPENDENT SHOPS**

Small independent shops face a bleak holiday period – and Christmas shoppers should look to use them more if they want to stop them disappearing, according to the Forum of Private Businesses. It says that the huge marketing schemes that swing into place for major retailers mean small businesses are struggling to survive. If small shops are forced out of the market, shoppers will miss out on the quality and diversity offered by local independent retailers as town and city centres are turned into “clone high streets”.

[www.icbirmingham.co.uk](http://www.icbirmingham.co.uk) 30 November 2007

### **CHRISTMAS SHOPPING ONLINE**

Internet shopping is on the rise across the UK as consumers turn to the web to sort out their Christmas planning in increasing numbers. But the West Midlands is resisting the call of the internet more than any other region, as locals stick to the high street and catalogues. On line shopping shot up by more than a third in the last year alone, with sales at online sites like Amazon topping £16 billion in the UK, according to the British Retail Consortium. But shoppers in the Midlands were the most likely to stick to traditional methods of spending at Christmas, with 45 per cent saying they would be doing most or all of their shopping on the high street – the highest percentage in the UK – according to the annual Deloitte retail review. It showed Midlanders were planning to up their spending by four per cent this year, forking out £1.33 billion on food and drink, £2.89 billion on presents and £1 billion socialising. Analysts said despite the early rush in Birmingham, the signs for shops at the Christmas period were not looking good so far across the UK.

[www.icbirmingham.co.uk](http://www.icbirmingham.co.uk) 3 December 2007

### **QINETIQ ON ACQUISITION TRAIL**

Qinetiq, the UK defence group said it would continue on the acquisition trail in the US and Australia after reporting a 34.5 per cent jump in interim underlying operating profits. Some 400 jobs will be cut in the UK workforce as it restructures its 100 business operations in the UK into four lines: consulting and advice, managed services, technological solutions and products. Qinetiq has acquired 11 businesses in the past three years in the US, four of them in the past year, helping to lift North America revenues from £165.8m to £256.6m. The sales of the Talon robot, used for defusing roadside bombs and other devices in Iraq and Afghanistan, accounted for £84.5m of new orders in the past six months.

*Financial Times 29 November 2007*

### **GERMANS SHUN INVESTING IN UK**

German high-technology companies are in future much more likely to invest in China, India or Eastern Europe than Britain, and have a low opinion of the UK's research capabilities, according to a British government-funded survey published yesterday. While Britain retains its place as a traditionally important base within Europe for German companies, future investments are likely to be concentrated in other regions, with not only the Far East but also the US and France performing better than Britain as "an investment destination of the future" for German companies, according to the survey. While 45% of companies praised Britain as an "interesting economic region", only 19% were equally positive about the view that Britain was "taking a leading role in research". In addition, the companies highlighted certain factors that were important in influencing where to invest, such as that new product markets exist, that local laws are uncomplicated, and that investment subsidies are provided. In each case most of the companies thought Britain did not meet these criteria. Britain did well on its language, its "political stability" and its proximity to Germany.

*Financial Times 5 December 2007*

### **ROLLS-ROYCE LANDS DEAL**

Derby based Rolls-Royce has landed a deal worth £136.5 million from Cathay Pacific. The airline has placed another order for Rolls-Royce Trent engines, to power an additional eight Airbus A330 twinjets. These latest additions to the fleet bring its total of A330s to 56. The new engines are scheduled for delivery between 2010 and 2012, and will include the latest fuel burn improvement modifications, designed to lower operational costs and further enhance the engine's environmental credentials. Also, a consortium which includes the Rolls-Royce Group will benefit to the tune of up to £1 billion from a contract to supply engines and support for 72 Eurofighter Typhoons that the UK is selling to Saudi Arabia. Rolls have a 36 per cent share of production work for the EJ200 engine that powers the Typhoon.

[www.icbirmingham.co.uk](http://www.icbirmingham.co.uk) 10 December 2007

### **HOUSE PRICE SLUMP WORSENS**

House prices in the UK slumped in November by their biggest rate in nearly a year. Figures released by the Halifax – the country's biggest mortgage lender – yesterday revealed that house prices fell 1.1 percent last month, the biggest drop since 1.3 per cent fall last December. The average house price, on a seasonally adjusted basis, now stands at £194,895. Latest figures by the Land Registry show that the average cost of a home in the West Midlands is £180,829. November's drop was the third in a row and the first time that there has been a three month successive fall since 1995. Tougher lending conditions, falling confidence and financial market turbulence is now raising concern that the housing market could enter a more prolonged downturn.

[www.icbirmingham.co.uk](http://www.icbirmingham.co.uk) 10 December 2007

### **GREEN LIGHT FOR B'HAM'S IRISH QUARTER**

The £150 million transformation of Birmingham's Irish Quarter was yesterday given the green light. Connaught Square will comprise 658 new apartments, 180 bed hotel, shops, offices, bars, restaurants, more than 1,000 underground car parking spaces, two new public squares and public amenity space. The site, which is next to Birmingham's coach station, is currently undergoing a £15 million

revamp. The buildings will make reference to the industrial heritage of the area and more specifically the heavy metal processing, which occurred in this location. Work should start in mid 2008, with the scheme as whole complete around 2011.

[www.icbirmingham.co.uk](http://www.icbirmingham.co.uk) 10 December 2007

## LOCAL ECONOMIC NEWS

### HARDEST WORKING TOWN

Bromsgrove has the highest employment rate in Britain – outside of the City of London. Figures just released by the Office of National statistics show that the percentage of people of working age who actually have jobs in Bromsgrove is 89.9 per cent against a national average of 74.1 per cent with 72.9 per cent in the West Midlands and just 63 per cent in Birmingham. The figures are based on the percentage of men, aged 16 to 60, and women, from 16 to 59, in full or part time work. News that Bromsgrove is Britain's hardest working town has delighted district council economic development manager Peter Michael. He said " The council has consistently encouraged the development of new business parks including the flagship Bromsgrove Technology Park on the old Garringtons site to provide jobs for today and in the future." Each year the district council sponsors around 30 small business start-ups with free training and a grant – a total of 170 over the past seven years. About a third of commuters on the A38 are coming to work in Bromsgrove. Further evidence that Bromsgrove is prospering is that the average household income of about £34,000 is the highest in Worcestershire and that its 1.4 per cent unemployment rate compares with four per cent across the West Midlands and 2.9 per cent in England and Wales.

[www.bromsgroveadvertiser.co.uk](http://www.bromsgroveadvertiser.co.uk) 15 November 2007

### DESTINATION WORCESTERSHIRE

Destination Worcestershire, which promotes the county as an ideal tourist destination, is aiming to tell people about the wealth of fun-packed festive activities taking place in Worcestershire this Christmas. Its website [www.visitworcestershire.org](http://www.visitworcestershire.org) is crammed with information on all kinds of seasonal events, attractions and activities for all the family, and visitors can save pounds by downloading money-saving vouchers. People can also win a variety of prizes in a free prize draw. Anyone visiting Worcestershire this year will be spoilt for choice. For more details call 01905 728787.

[www.worcesternews.co.uk](http://www.worcesternews.co.uk) 19 November 2007

### FIRMS MUST BE READY FOR WASTE LAWS

Worcestershire businesses have been warned by the British Security Association that they should be complying with new landfill regulations. From this month, businesses are obliged to minimise the amount of waste sent to landfill and are being advised to review their waste management processes.

[www.worcesternews.co.uk](http://www.worcesternews.co.uk) 20 November 2007

### FIRM GOES INTO LIQUIDATION

Fresher By Miles, a Badsey based food distribution company has been placed into voluntary liquidation. The company, which was founded only three years ago, has not reached its expected turnover. Fresher By Miles has received more than £100,000 of public money through grants from various organisations since it began trading as the Green Grocers in 2005. It began trading as Fresher By Miles last year. Director Mike Bunny, said: "We hope to re-launch the business some time in the future where we can draw on the lessons we have learned here. In hindsight we probably set ourselves too ambitious a timescale to achieve what we wanted to do."

[www.eveshamjournal.co.uk](http://www.eveshamjournal.co.uk) 15 November 2007

### **NEW SITE FOR FIRM**

Birthday presents don't come much bigger than a purpose-built 31,000 sq ft manufacturing facility, complete with the latest technology and an expanding 50-strong workforce. This scenario is currently being enjoyed by the management team at Lost Wax Development, of Stourport-on-Severn, which makes mouldings for engineering and automotive parts. It is using its 30<sup>th</sup> birthday as the platform to increase turnover and win new contracts in the automotive, petrochemical and fine arts markets. Boosted by support from Manufacturing Advisory Service and Accelerate, the company officially opened its new Firs Industrial Estate site. Lost Wax Development has experienced a whirlwind five years; continuous improvement exercises have delivered a host of operational benefits. High profile contracts include Perkins Engines, Aston Martin and Bentley. It has also secured global supplier status for Shell Oil.

[www.worcesternews.co.uk](http://www.worcesternews.co.uk) 2 November 2007

### **WASTE FIRM IS MAKING RECYCLING FUN**

Recycling bins disguised as cows are spreading across the UK thanks to the initiative of a Droitwich-based company. In a bid to encourage people to recycle, waste containment firm Taylor has joined forces with design company Source Communications and art installation experts Artmongers to develop Cowbins, attractive waste containers with a Friesian finish. The first batch of Cowbins, installed in New Cross Gate in Lewisham as part of an initial trial, proved a success, increasing the amount of materials recycled by 61 per cent in just three months. Now other local authorities are following suit. The trial revealed that children in particular were inspired by the idea of feeding the cows.

[www.worcesternews.co.uk](http://www.worcesternews.co.uk) 27 November 2007

### **SAFARI PARK PICKS UP TWO TOP AWARDS**

West Midland Safari Park has scooped two major awards. The director of wildlife at the park in Bewdley flew to Italy recently to attend the Golden Pony Awards ceremony in Genova. The safari park – the only UK attraction that was nominated – won the award for “the capacity to join together different leisure proposals under the common umbrella of the love for nature”. The following day, the park won the Best Independent Programme Award at the annual awards and dinner for the Royal Television Society, held in Birmingham. The Park opened in 1973 and covers 200 acres, combining safari trails, show arenas, cafes and shops.

[www.worcesternews.co.uk](http://www.worcesternews.co.uk) 27 November 2007

### **JOB LOSSES FOR QINETIQ**

Up to 400 job cuts are to be made at the defence research company QinetiQ and some of those will be from the firm's site in Malvern. Approximately 2,000 people work at the 70-acre development in St Andrew's Road, a number which accounts for a quarter of QinetiQ's overall workforce in the UK. The news come just a week after the National Audit Office criticised the “excessive” £1207.5m returns of QinetiQ's senior management when the company went private. The top 10 people had a return of almost 20,000%.

[www.malvern gazette.co.uk](http://www.malvern gazette.co.uk) 30 November 2007

## **SECURITY SYSTEM**

Malvern's QinetiQ has developed a high-tech fibre optic security system that can be used to protect oil pipelines and underground cables from terrorist attacks. Optasense, launched this month, can detect disturbances in pipelines and underground cables, whether they are caused by accidental damage or malicious attack. The buried Optasense cable can detect single, multiple and simultaneous disturbances every ten metres over a 40k length. Any activity generates an alarm and the acoustic sensitivity of the Optasense cable can be used to listen to the flow through a pipe, so that blockages or leaks can be located. The system also classifies the disturbance, provides the co-ordinates and operates cameras so that critical and essential services can be protected. The disturbance is also displayed on maps, plans and aerial photographs on a computer screen and monitored through headphones.

[www.malvern gazette.co.uk](http://www.malvern gazette.co.uk) 3 December 2007

## **SKILLS4AUTO JOIN ACCELERATE**

Two of the most successful business support agencies in the UK have joined forces to help boost manufacturing skills in Worcestershire. Skills4Auto has become part of the Accelerate stable of services and has immediately set its sights on supporting more than 200 companies and 1,000 individuals by the end of the year. The merger, which will see the transfer of all seven highly skilled staff, provides immediate synergies between the two organisations and will ensure that employee development will be brought to the forefront of many firms' thoughts. It also brings a real knowledge and commercial opportunity to the offer, with Accelerate Skills – as it is to be known – keen to exploit opportunities in all manufacturing disciplines, including automotive, aerospace, food, general engineering and medical technology. Utilising the expertise of its vastly experienced operational team, the programme is able to provide a host of tailored services. These include a training needs analysis, corporate skills drive, mature apprenticeships and subsidised access to the Learning and Skills Council's Train to Gain initiative.

[www.worcesternews.co.uk](http://www.worcesternews.co.uk) 6 December 2007

## **FIRM TO LEAVE KIDDERMINSTER**

Employees of a company currently based in Kidderminster face a longer journey to work as the business prepares to relocate to Birmingham. Bosses of Enpure say the firm has "outgrown" its existing premises meaning the 265-strong workforce will need to relocate to Woodgate Valley Business Park near Quinton, in January, 10 miles away from its Kidderminster site, where it has been for 25 years. The process engineering business, formerly Purac, employs people from across the West Midlands to design and build solutions for the water and waste sectors.

[www.kidderminstershuttle.co.uk](http://www.kidderminstershuttle.co.uk) 4 December 2007

## **AWARD FOR DEER PARK**

Entrepreneurial husband and wife team Mark and Caron Steele's converted farm buildings, The Deer Park Business Centre at Eckington, has been crowned winner of the Best Conversion category in the Rural Buildings Award Scheme run by the Country Land and Business Association. According to Caroline Bedell, CLA regional director in the West Midlands: "It was the vision and attention to detail shown when converting a range of buildings previously used to house deer and cattle, into state of the art offices and conference facilities that helped secure

the award.” She said: “The workmanship was to a high standard and, where possible, there had been re-use of materials from on site or in the locality.”

[www.eveshamjournal.co.uk](http://www.eveshamjournal.co.uk) 6 December 2007

### **SANTA TRAIN BOOKINGS UP**

Bookings for the Santa Steam Specials on Severn Valley Railway have risen, despite the July flood disaster that caused £3 million of damage to the track between Bewdley and Bridgnorth. The company is operating a severely restricted 3.5-mile service between Kidderminster and Bridgnorth while waterlogged track on the remaining 12.5 miles is repaired up to Bridgnorth. That has not stopped 17,000 passengers booking up for the Christmas specials running every Saturday and Sunday, until December 23. The SVR’s marketing manager said, “ This has exceeded all expectations. We will be running the Santa Steam Specials from Kidderminster to Bewdley to see Father Christmas in his grotto to hand out presents to children, also the evening diesel Christmas Carol Trains and the Santa Herald Service with Father Christmas on board. We hope to be back running the full 16-mile service from early in 2008.

[www.kidderminstershuttle.co.uk](http://www.kidderminstershuttle.co.uk) 10 December 2007

## EMPLOYMENT SUMMARY

April 2006 – March 2007

The figures published below are taken from the Annual Population Survey (APS), a residence-based labour market survey. Across Worcestershire, approximately 1,500 people are surveyed each year. Datasets are released quarterly, with each containing details from survey responses received in the preceding 12 months. Figures are based upon all responses received between April 2006 and March 2007. The dataset for July 2006 to June 2007 is due to be released during February 2008.

### Employment by Local Authority in Worcestershire, April 2006 - March 2007 (working age)

Authority	Number employed	Employment rate <sup>1</sup>	95% Confidence Interval of rate (percentage points) <sup>2</sup>	Lower confidence limit (rate minus confidence interval)	Upper confidence limit (rate plus confidence interval)
Bromsgrove	47,800	89.9	4.6	85.3	94.5
Malvern Hills	33,600	84.3	6.3	78.0	90.6
Redditch	41,200	82.7	5.3	77.4	88.0
Worcester	47,400	80.2	5.3	74.9	85.5
Wychavon	54,800	79.6	5.3	74.3	84.9
Wyre Forest	41,900	71.6	7.2	64.4	78.8
<b>Worcestershire</b>	266,700	81.0	2.3	78.7	83.3

<sup>1</sup> Rate is calculated as a proportion of all people of working age (Male = 16-64, Females = 16-59).

<sup>2</sup> The confidence interval is the range of values, above or below the employment rate, within which we can be 95% sure that the true value for the whole population lies.

Source: NOMIS, 2007. Annual Population Survey.

**Employment by industry in Worcestershire, April 2006 - March 2007 (working age)**

Industry	Number employed	Employment rate <sup>1</sup>	95% Confidence Interval of rate (percentage points) <sup>2</sup>	Lower confidence limit (rate minus confidence interval)	Upper confidence limit (rate plus confidence interval)
Agriculture and fishing	3,300	1.2	0.7	0.5	1.9
Energy and water	2,700	1.0	*	*	*
Manufacturing	54,500	20.4	2.7	17.7	23.1
Construction	25,600	9.6	2.0	7.6	11.6
Distribution, hotels and restaurants	45,600	17.1	2.5	14.6	19.6
Transport and communications	14,400	5.4	1.5	3.9	6.9
Banking, finance and insurance	42,200	15.8	2.4	13.4	18.2
Public admin. education and health	63,500	23.8	2.8	21.0	26.6
Other services	13,900	5.2	1.5	3.7	6.7
Total services	179,600	67.3	3.1	64.2	70.4

\* Estimate and confidence interval unreliable since the group sample size is small (3-9).

<sup>1</sup> Rate is calculated as a proportion of those of working age who are in employment.

<sup>2</sup> The confidence interval is the range of values, above or below the employment rate, within which we can be 95% sure that the true value for the whole population lies.

<sup>3</sup> Total Services includes 'Distribution, Hotels and Restaurants', 'Transport and Communications', 'Banking, Finance and Insurance', 'Public Administration, Education and Health' and 'Other Services'.

Data cannot be provided at Local Authority level as sample sizes are too small to provide reliable estimates for several sectors.

**Source: NOMIS, 2007. Annual Population Survey.**



10<sup>th</sup> December 2007

## **Let the pud times roll!**

**Forget Gloucestershire's cheese rolling - Worcestershire's Property Service is getting in to the festive spirit with a charity Christmas Pudding rolling extravaganza.**

The Property Service has invited more than 200 commercial property agents to sponsor one of the many puddings that will be racing at County Hall on 17<sup>th</sup> December.

Numbered plastic replicas of the nation's favourite festive treat will be sent bouncing down the hill, and the first delicious delicacy to reach the finishing line will bag its sponsor a fantastic prize.

The Property Service, which helps businesses find new premises in Worcestershire, is asking each commercial property agent to donate £5 per pudding, which will be given to St Richard's Hospice, in Worcester.

Geoff Palmer, Principal Economic Development Officer, Worcestershire County Council said "Rather than sending out the usual Christmas card, we wanted to do something different and fun.

"Christmas puds are an iconic Christmas symbol, and it will be brilliant to see them unleashed at County Hall!

"There is a serious side to the event though, and that is raising as much money as possible for St Richard's Hospice, which cares for hundreds of life-limited patients

and their families. So, I'd urge all our agents to dig deep and help us support this fantastic cause."

For more information on the event, call 01905 766375. For details on Worcestershire's Property Service, visit [www.worcestershire.gov.uk/business](http://www.worcestershire.gov.uk/business)

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