TYNE & WEAR
ANNUAL MONITORING REPORT 2005

A REPORT ON THE SUB-REGIONAL ECONOMY

COMMISSIONED BY TYNE WEAR PARTNERSHIP (TWP)
PRODUCED BY TYNE & WEAR RESEARCH AND INFORMATION (TWRI)

SEPTEMBER 2006

By

Amy Proctor
Peter Sturman
Kadhem Jallab

Reference: SR06/1

TYNE & WEAR RESEARCH AND INFORMATION
1st Floor Provincial House
Northumberland Street
Newcastle upon Tyne
NE1 7DQ
Tel: (0191) 277 1912, Fax: (0191) 277 1911
E-MAIL: twri@tyne-wear-research.gov.uk
WEBSITE: www.tyne-wear-research.gov.uk

Supported jointly by Cities of Newcastle and Sunderland and the Metropolitan Boroughs of Gateshead, North Tyneside and South Tyneside

CONTENTS

Appendices

Tables

Figures

INTRODUCTION

This Tyne & Wear Annual Monitoring Report has been produced by Tyne & Wear Research and Information (TWRI) on behalf of TyneWear Partnership.

The report is the first annual monitoring report following the Baseline Report 2004. The Baseline Report was the first step towards monitoring the progress of the sub-region in the implementation of its strategy and realisation of its vision set out in the Tyne & Wear Economic Strategy. The vision is that **by 2024, Tyne & Wear will be one of Europe's fastest growing metropolitan areas; driving the economic and cultural life of the North East of England[1].**

The Annual Monitoring Report (AMR) updates the Baseline Report 2004 and aims to present a picture of the Tyne & Wear economy in 2005. It monitors changes taking place over the last year and contains an assessment of the key trends. It covers 9 of the 12 core economic indicators contained within the Baseline Report, as set out within the Tyne & Wear Economic Strategy. In addition, 4 new indicators have been introduced including Tourism, New Build by Zone, Worklessness and Creative & Digital Industries. The monitoring period has been extended from 1995 to 2004-05 for most indicators. In this AMR, TWRI has compiled data for Tyne & Wear, and made comparison to the national picture and in some cases, to a close comparator sub-region,West Yorkshire.

The report provides an overview and analysis of the current relative position of the Tyne & Wear economy and its recent performance[2]. The **overall picture for 2005 remains positive**, with some **notable improvement** in a number of **key economic indicators** including:

- Employment
- Earnings[3]
- The proportion of People of Working Age (PWA[4]) with NVQ qualifications.

However, there was also deterioration in some indicators:

- The rate of growth [the number of] VAT businesses slowed by two-thirds in 2004
- Unemployment rose, both on the LFS definition (in 2004/05) and Claimant Unemployment, which was higher in 2005 than 2004[5]

Also of note, in 2004, **the first population rise** was recorded in Tyne & Wear following year-on-year falls since 1996. In addition, net out-migration continues to fall. Substantial net job gains were also recorded in 2005[6].

The Summary (below) outlines the main findings of the report covering the 9 baseline economic indicators and the 4 new, additional indicators.

For further information about TWRI and its work, contact Dr. Kadhem Jallab (Head of TWRI). See front page for contact details.

---

[1] *'Leading the Way, The Tyne & Wear Economic Strategy-driving the growth of the North East' (TyneWear Partnership, January 2005)*

[2] *The indicators contained within this report go some way towards measuring urban competitive performance as defined in the 'State of the English Cities' report produced on behalf of the ODPM in February 2006 (see Appendix A1 for more details)*

[3] *Data from the new series, Annual Survey of Hours and Earnings (ASHE) records large increases in average weekly earnings in Tyne & Wear from 2003*

[4] *PWA is the Population of Working Age (16-59/64 in the UK).*

[5] *Claimant unemployment rose in 2005, by about 600 (up nearly 3.0%) in Tyne & Wear*

[6] *Caution: according to TWRI's Job Change Database (as recorded in the press)*

SUMMARY OF BASELINE INDICATORS

Gross Value Added (GVA)

GVA continues to **remain low in Tyne & Wear** at £15.7bn in 2003. The average rate of annual growth for the period 2001-03 in Tyne & Wear was 6.2% p.a. compared to 5.3% in both West Yorkshire and the UK. [Caution: figures include inflation]

GVA per head in Tyne & Wear was £14,582 in 2003; 90% of the UK figure. Over the period, 1996-2003, the average annual growth rate per head in Tyne & Wear was 5.9%, exceeding the growth rate in both West Yorkshire and the UK (5.2%)[7]. [Caution: these amounts are higher than they would be if net in-commuting was excluded]

VAT Registered Business Stocks

The **stock** of VAT-registered businesses **remains low, but continued to grow** in Tyne & Wear.

The **stock rose 8.4%** from 1995 to 2005, nearly 2/3 of the pace recorded nationally (12.8%) and above the rise in West Yorkshire (7.0%).

New registrations exceeded de-registrations (to give net growth) in Tyne & Wear in 2004 of just 0.6%, that is under a third **of the net growth** of the **year before** (2.0%).

Net registrations were led by 'Construction' and 'Business Services'. **Net de-registrations** were led by 'Manufacturing'.

Employment/Unemployment

The **employment rate** in Tyne & Wear **rose faster than that in GB** over the period 1995 to 2005, from 63.6% to 69.3% (5.7pp rise), compared to a 2.8pp rise from 71.7% to 74.5% in GB.

The **employment rate** fell less than 1pp (0.6pp) between **2004 and 2005**, from 69.9% to 69.3%.

The **unemployment rate** in Tyne & Wear has **fallen significantly** (5.4pp) between 1995 and 2005, from 12.1% to 6.7%. The gap between it and the national rate closed to within 1 percentage point in 2003-04.

The **unemployment rate increased** in **2004-05** in Tyne & Wear[8] (up 5,500 on the previous year from 5.8 % to 6.7%). This latest recorded increase in the unemployment rate in Tyne & Wear follows a period where it has consistently fallen.

Claimant Count unemployment rose by approximately 600 (up 2.9%) in Tyne And Wear in 2005.

[7] *Caution: includes inflation*
[8] *According to the new APS data series*

Young People in Structured Learning, Employment or HE Institutions (HEIs)

Participation rates of 16 and 17 year olds in full-time education were on **average, 59%** in Tyne & Wear over the period 1999 to 2003. This is 0.6pp lower than in West Yorkshire and 6.2pp lower than in England.

Average **participation rates** for young people aged 16 & 17 years in **education and work-based learning were higher** in Tyne & Wear than in West Yorkshire and England over the period 1999-2003 (81.6% compared to 77.8% & 79% respectively)
Employment rates for **16-19 year olds fell slightly** in 2003-04 (to 48.2%), following the previous year, where Tyne & Wear was only marginally below the average rate in West Yorkshire, England and GB.

Acceptances of places at HEIs for young people living in Tyne & Wear increased by 35.8% between 1996 and 2004. This was higher than the increase recorded in West Yorkshire (33.8%) but well below the UK increase (61.9%)

In **2004**, the number of **18-20 year olds accepting places** at Higher Education Institutions **fell 1.9%** (the number of acceptances was down 80 on 2003).

Qualifications at NVQ2, NVQ3+ and NVQ4+

Tyne & Wear **improved** its **performance rate for boys and girls with good GCSEs**[9] considerably between 2002 and 2004 (from 41.1% to 44.2% for boys and from 51.8% to 54.1% for girls).

The **proportion of PWA with qualifications to NVQ3+**[10] in Tyne & Wear **improved** from 35% in 1999-00 to 39.6% in 2003-04. This was an increase of 4.6pp, compared to a 2.1pp rise in West Yorkshire and a 3.8pp rise in GB). Despite an overall improvement, Tyne & Wear still remains below both West Yorkshire and GB.

The **proportion of PWA qualified to NVQ4+**[11] in Tyne & Wear **rose 4.8pp** from 16.6% to 21.4% between 1999 & 2004. This rate of increase was over 1 ½ times the GB rate and 3 times that of West Yorkshire. Despite this overall improving trend, Tyne & Wear remains below both in 2003-04.

Population

In **2004**, the **first** annual **population increase** was recorded in Tyne & Wear **since 1996** (up 2,380 or 0.2%). This brings Tyne & Wear closer to the annual population rate of population change recorded in West Yorkshire and the UK.

The **gender composition of population change** in Tyne & Wear reveals that while **between 1996 and 2004**, the male population has fallen 2.5%, the female population has fallen more significantly at 3.1%.

9 *'Good' GCSEs are defined here as 5+ A*-C grades.*
10 *NVQ 3+ is broadly 'A' Level and above.*
11 *NVQ 4+ is broadly degree level and above.*

Migration

Net out-migration in Tyne & Wear **fell by 65%** from -5,423 in 1995 to -1,833 in 2004. Both migrant inflows and outflows have fallen.

Between 2003 and 2004, **net migration fell** from -2,063 to -1,833 due to a rise in in-migrants and a fall in out-migrants.

In terms of **international migration**, Tyne & Wear experienced **net in-migration** in 2004 (+5,300).

In-flows increased in Tyne & Wear between **2003 and 2004** amongst core working age groups 15-29 and 30-44, which is perhaps a positive sign of retaining skilled young professionals (at least young working age people have been moving in[12]).

Earnings

Average gross weekly earnings have been **consistently lower** in Tyne & Wear than in West Yorkshire and GB over the period 1995-2005.

Tyne & Wear's average (£466.8) **remained below** both **West Yorkshire** (£485.3) **and GB** (£518.7) in 2005. However, between 2004 and 2005, the increase in earnings in Tyne & Wear was 5.8%, compared to a 5.5% increase in West Yorkshire and a 3.6% increase in GB.

Reported Job gains and losses (as recorded in the press) in Tyne & Wear[13]

Reported job gains have **outweighed job losses** in every year **between 1996 and 2005**. In 2005, net job gains were particularly strong following a number of weak years since 2000. The number of net job gains totalled 8,431.

In 2005, **major** [gross] **gains** were in 'Business Services' (+4,252), 'Banking & Finance' (+3,650) and 'Retail' (+3,616). The **largest loss** was from 'Public Administration' (-1,390).

SUMMARY OF ADDITIONAL INDICATORS

Tourism

Tyne & Wear is the **most significant sub-region** in the North East **for tourism**. In 2004, total revenue from tourism was £771.5m (4% of GVA) and total direct employment in the industry was 11,500.

Total direct tourism expenditure in Tyne & Wear increased 8.8% from £456.6m in 2003 to £496.9m in 2004. The most significant increases were in 'Shopping', 'Transport' and 'Food and Drink'.

Total bedstock in Tyne & Wear in 2004 was 20,203 (84% of this is serviced accommodation).

---

[12] *Some of this will be 'city (centre) living' in so far as it replaced living outside Tyne & Wear.*
[13] ***Note**: 'indicative' data, not 'definitive'*

New Build by Zone (or 'Growth Pole')

In the **Newcastle Discovery Quarter** growth pole, the Centre for Dance was completed in 2005. A number of major office and housing developments were also completed on St. James' Boulevard.

In the **Sunderland Arc** growth pole, approvals have been granted for a significant number of mixed-use developments in 2004/05. Several conversion projects for housing were also completed.

In the **Central Gateshead** growth pole, The Sage music centre was completed and major plans for a Design Centre and the new Gateshead College have been approved. A number of large housing projects have been approved including St James Village. The Baltic Quays was completed.

In the **Tyne Gateway** growth pole, permission has been granted for a number of office developments. Major housing projects completed include Market Dock (152 dwellings) and Frost Mews (60 dwellings) in South Shields.

Along the **A19 Corridor** growth pole, a high number of office and manufacturing unit developments have been completed. Two major housing developments are also underway in Jarrow totalling almost 300 dwellings.

Creative & Digital Industries

The number of **employees** involved in **creative industries** in Tyne & Wear in 2004 is estimated to be 11,500. This is 59% of the regional total of 19,400[14].

The IBDR[15] for 2004 shows Tyne & Wear to have **2,150 firms** employing a minimum of 17,500 employees involved in **cultural and creative industries,** with a minimum turnover of £1,605.44m.

The number of employees involved in **digital industries** in Tyne & Wear in 2004 is estimated to be 12,700. This is over 60% of the regional total of 20,500[16][Caution: definition includes telecoms].

Tyne & Wear has 11 of the 16 **digital 'hotspots'** which have been identified in the North East[17]

Worklessness

Rates of worklessness (for all household types) in Tyne & Wear in 2004 were **25%**. This exceeds the North East average by 2 percentage points.

Economic Inactivity (as a proportion of PWA) in Tyne & Wear has **fallen** 1.9 percentage points between 1995 and 2005. Despite this, inactivity rates in 2004-05 remained 4pp above the national rate.

The number of **benefit claimants** in Tyne & Wear **fell 30%** to 125,900 between 1995 and 2005.

---

[14] *Definition of 'creative industries' used here is that adopted in the 2004 Baseline Report. Data source: ABI.*

[15] *Interdepartmental Business Register. Original IDBR data cited in 'Creative and Cultural Industries in the North East, Labour Market Statistics' (Bowman Solutions, February, 2005)*

[16] *Definition of 'digital industries' used here is that adopted in the 2004 Baseline Report. Data source: ABI.*

[17] *Digital 'hotspots' are wards with between 25 and 124 digital firms per ward. As identified by Codeworks, the centre of excellence for the digital sector in the North East.[Caution: as wards are bigger in Tyne & Wear this indicator is biased to Tyne & Wear]*

A) BASELINE INDICATORS

INDICATOR 1: GROWTH IN GROSS VALUE ADDED (GVA)

A principal aim of the Tyne & Wear Economic Strategy (TWES) is to accelerate economic growth partly to stem population decline in Tyne & Wear and also to raise productivity. The data on this indicator should provide evidence on whether the Strategy's aims are being met.

GVA is an internationally accepted method of measuring economic output. GVA measures the contribution to the economy of each individual producer, industry or sector.[18] Note: all data are nominal.

1.1 Gross Value Added

Gross Value Added in Tyne & Wear was £15.7bn in 2003 (Table 1.1). Over the period 1996-2003, average annual growth in GVA in Tyne & Wear was 5.4%, the same as that in West Yorkshire and only marginally less than that in UK (5.5%).

Table 1.1: Headline[1] gross value added (GVA)[2,3] by NUTS3 area at current basic prices (£million) 1995 to 2003

	1995	1996	1997	1998	1999	2000	2001	2002	2003
Tyne & Wear	10 364	10 866	11 482	12 133	12 614	13 199	14 013	14 873	15 795
% change		4.8	5.7	5.7	4.0	4.6	6.2	6.1	6.2
West Yorkshire	21 232	22 534	23 993	25 524	26 635	27 622	28 977	30 516	32 249
% change		6.1	6.5	6.4	4.4	3.7	4.9	5.3	5.7
United Kingdom	639 115	680 477	720 028	763 443	799 387	841 505	883 412	930 796	981 732
% change		6.5	5.8	6.0	4.7	5.3	5.0	5.4	5.5

[1] The headline GVA series for this publication have been calculated using a five-period moving average.
[2] Estimates of workplace based GVA allocate income to the region in which commuters work.
[3] Components may not sum to totals as a result of rounding.

Source: Office for National Statistics 'NUTS3 Gross Value Added'

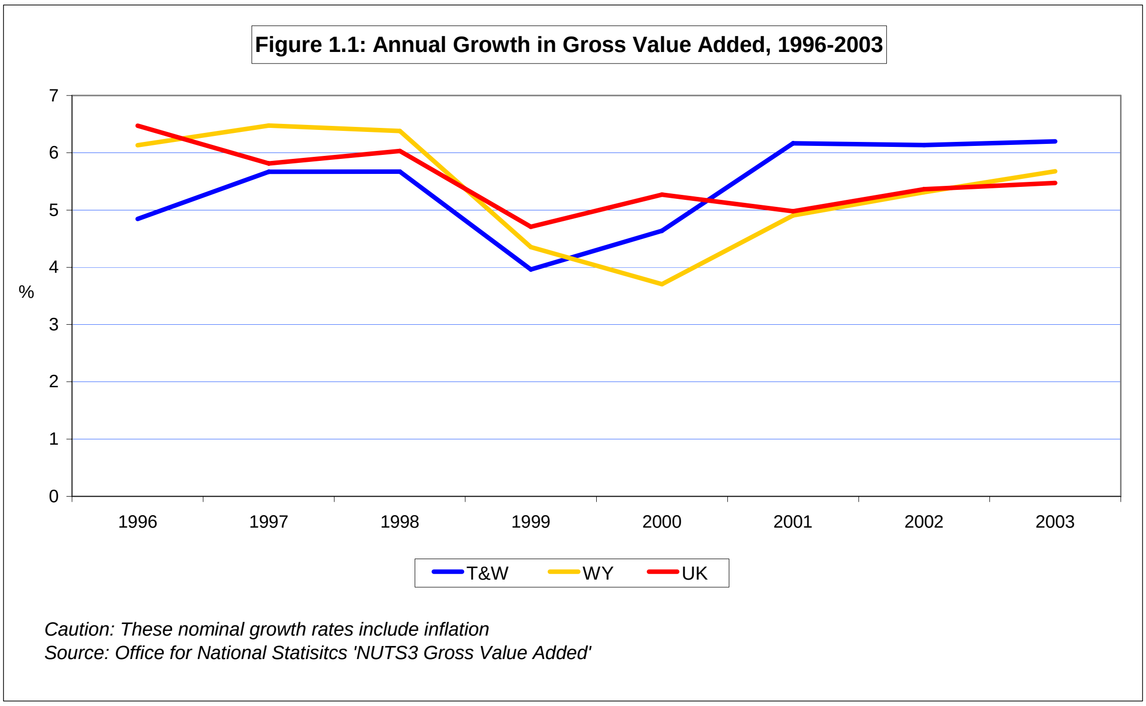
Recent trends indicate that over the period 2001-2003, average annual growth in GVA in Tyne & Wear was 6.2%. This figure is faster than that recorded in both West Yorkshire and the UK (5.3% p.a.) over the same period. There is a marked difference between the Tyne & Wear average annual growth in GVA between 2001-2003 (6.2%) and that of the earlier period 1996-2000 (5.0%), reflecting the significant increase in annual growth in GVA after 1999 (Figure 1.1).

If we assume a constant growth rate of 5.4% p.a. (±0.5%) from 2003, GVA in Tyne & Wear would have risen to about £18bn (±£260m) by 2006.

The growth in GVA faster than nationally recorded in Tyne & Wear is part of a broader pattern of growth. The 'State of the English Cities' report produced on behalf of the ODPM in February 2006, highlights recent progress by cities in the north and west in GVA per capita between 1995 and 2002. It reports that average growth for England was 42.7%. Twenty-five cities grew faster than that, of which

[18] *Note: Real GVA data at sub-regional level are currently not available due to the lack of sub-regional GVA deflators from ONS. GDP is derived from GVA by adding taxes and subtracting subsidies on products/services. The picture portrayed by GVA in Tyne & Wear will be slightly different from GDP. The Tyne & Wear index is most likely to be higher on GVA than on GDP because of relatively low taxes (on production) and almost certainly relatively higher subsidies. Caution: The data are at current prices, rather than in 'real terms' i.e. they include inflation.*

12 were in the North and West including 'Newcastle' (meaning Tyneside) and Sunderland. All the core cities in the north exceeded the national average growth.



1.2 Gross Value Added per Head

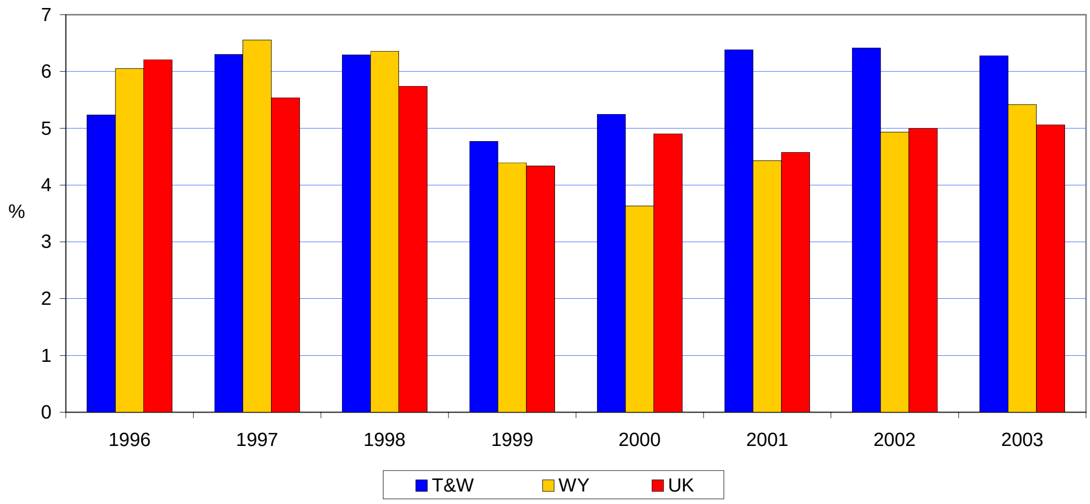
In 2003, GVA per head in Tyne & Wear was £14,582, 90% of the UK figure (and 11 percentage points higher than the average figure for the North East)[19].

Over the period 1996-2003, the average annual growth rate per head in Tyne & Wear was 5.9%. This figure is higher than that recorded for both West Yorkshire and the UK (5.2%)

Recent trends indicate that over the period 2001-2003, annual growth in GVA per head in Tyne & Wear has stabilised and even slowed for the first time since 1999 (see Figure 1.2). This contrasts with trends in the UK and West Yorkshire where growth has continued to accelerate over the same period.

[19] *Caution: the index for Tyne & Wear is inflated by net in-commuting which adds perhaps 7-10 percentage points to the GVA index*

Figure 1.2: Annual Growth in GVA per head at current basic prices, 1996-2003



Caution: These nominal growth rates include inflation
Source: Office for National Statisitcs 'NUTS3 Gross Value Added'

INDICATOR 2: CHANGES TO THE STOCK OF VAT REGISTERED BUSINESSES

The Tyne & Wear Economic Strategy (TWES) sets out the need to achieve a step change in the rate of new business formation. The closest proxy for business formation that can be consistently monitored is new VAT registrations. The change in the stock (i.e. number) of VAT registered businesses is the 'net change' (i.e. new VAT registrations minus de-registrations).

2.1 Stock

Over the monitoring period 1995 to 2005, the stock of VAT-registered businesses remains low, but since 1996 has grown each year in Tyne & Wear (Table 2.1)

Table 2.1: Stock of VAT Registered Businesses, at start of year, 1995-2005

	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	1995-05 % change
Tyne & Wear	16,335	16,140	16,165	16,325	16,525	16,720	16,920	16,965	17,265	17,605	17,700	8.4
West Yorkshire	48,775	48,245	48,405	48,920	49,665	49,980	50,505	50,705	51,030	52,035	52,205	7.0
UK	1,613,480	1,613,790	1,629,695	1,667,310	1,705,050	1,733,160	1,758,455	1,775,835	1,796,335	1,817,820	1,819,870	12.8

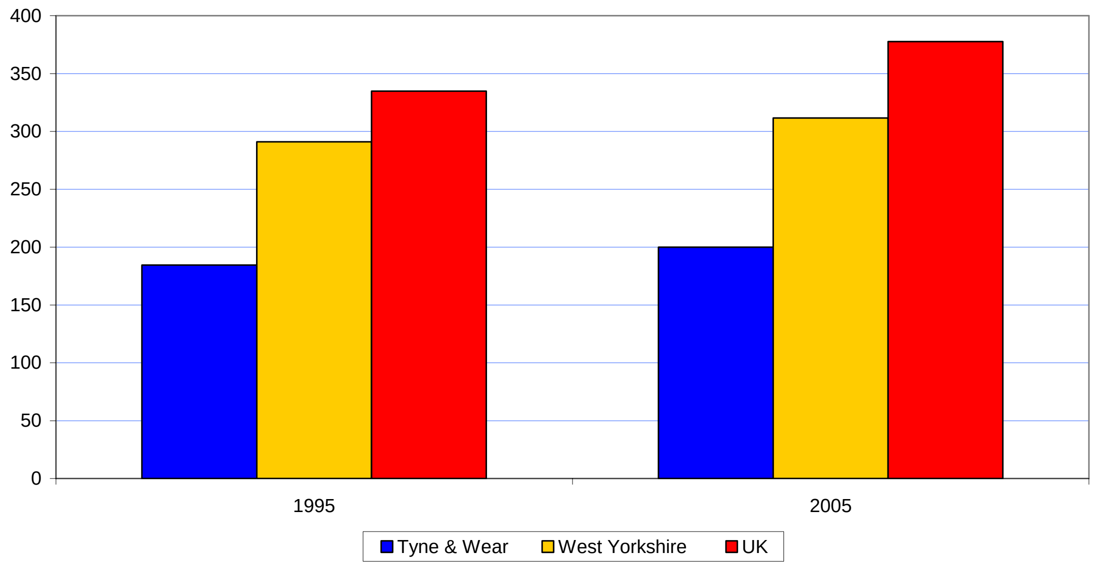
Source: Small Business Survey

The stock rose 8.4% from 1995 to 2005, nearly 2/3 of the pace recorded nationally (12.8%) and above the rise in West Yorkshire (7.0%). In terms of more recent trends, stock growth in Tyne & Wear was 340 in 2003 and 100 in 2004 (to start of year, 2005)[20]. This is a net growth in 2004 of 0.6% in Tyne & Wear, compared to 0.3% in West Yorkshire and 0.1% in the UK.

[20] *The net change figures (in Table 2.2) used here are slightly more accurate than the changes implied in Table 2.1 due to rounding.*

The stock of VAT-registered businesses per 10,000 residents aged 16+ in 2005 in Tyne & Wear (200) remains 36% lower than in both West Yorkshire (312) and 47% below the UK (378) (Figure 2.1). However the growth between 1995 and 2005 in VAT-registered businesses per 10,000 residents in Tyne & Wear was 8.1% compared to 7.2% in West Yorkshire, both of which are below the 12.8% increase recorded nationally.

Figure 2.1: Stock of VAT-registered businesses per 10,000 residents aged 16+



Source: Small Business Survey

The highest proportion of VAT-registered businesses in Tyne & Wear at the start of 2005 was in 'Wholesale and retail' 26.8%, the same as West Yorkshire (26.8%) and significantly above the UK (21.3%). Nationally, the greatest proportion of VAT-registered businesses was in 'Business Services' (29.2%) compared to 25.9% in Tyne & Wear and 25.5% in West Yorkshire. West Yorkshire has the highest proportion of VAT-registered business in 'Manufacturing' (11.8%) compared to 9.9% in Tyne & Wear and 8.4% in the UK. Tyne & Wear's manufacturing firms are significantly larger than in the UK, as measured by number of employees.[21]

2.2 Registration/De-registration

The net growth of VAT businesses slowed by two-thirds in 2004, to 100[22] (+0.6%) (from 340, or growth of 2.0% in 2003). New registrations exceeded de-registrations in Tyne & Wear in 2004, leading to a positive net growth of VAT registrations (Table 2.2).

[21] *Source: Annual Business Inquiry (ABI) county tables, written up by TWRI in its Manufacturing & Market Services reports.*

[22] *The net balance figure is slightly higher than the 'change in stock' implied in Table 2.1, due to the effects of rounding. Numbers are rounded to the nearest five in order to avoid disclosure.*

Table 2.2: VAT Registrations, Deregistrations and net change, 1995-2004

		1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
Tyne & Wear	Registrations	1,745	1,740	1,790	1,725	1,805	1,785	1,720	1,935	2,020	1,825
	Deregistrations	1,940	1,720	1,625	1,530	1,605	1,585	1,675	1,640	1,680	1,725
	Net balance	-195	25	160	200	195	200	50	295	340	100
West Yorkshire	Registrations	4,810	4,850	5,170	5,275	4,970	5,225	5,050	5,325	5,880	5,580
	Deregistrations	5,340	4,690	4,655	4,530	4,655	4,705	4,855	4,995	4,875	5,405
	Net balance	-525	155	520	745	315	525	195	325	1,005	170
UK	Registrations	161,545	165,855	182,410	181,985	176,615	178,590	169,250	176,150	189,115	181,415
	Deregistrations	161,235	149,950	144,800	144,250	148,500	153,300	151,870	155,650	167,630	179,370
	Net balance	310	15,905	37,615	37,740	28,115	25,295	17,380	20,500	21,485	2,045

Source: Small Business Survey

The slowdown was even more marked in West Yorkshire where the net growth slowed sharply from 1,005 in 2003 (an exceptional peak) to 170 in 2004 and in the UK, from a net growth of 21,485 in 2003 to just 2,045 in 2004.

Tyne & Wear's improvement in 2004 versus 1995 has been mainly through fewer de-registrations unlike West Yorkshire. In 2004, the number of new registrations in Tyne & Wear was just 4.6% higher than in 1995 (compared to UK at 12.3% and West Yorkshire at 16.0%). Conversely, VAT de-registrations have fallen by 11.1% in Tyne & Wear in the period between 1995 and 2004 whereas in the UK, they rose 11.2% and West Yorkshire, where they rose 1.2%.

Net registrations in 2004 in Tyne & Wear were led by 'Construction' (70) and 'Business Services' (105). West Yorkshire and the UK also followed this trend. Net de-registrations in 2004 were led by 'Manufacturing' (-50) in Tyne & Wear and in West Yorkshire (-220) but in 'Agriculture and fishing' in the UK (-4,870).

INDICATOR 3: EMPLOYMENT/UNEMPLOYMENT

The TWES seeks to increase employment and reduce unemployment in Tyne & Wear.

3.1 Employment

The employment rate in Tyne & Wear has risen since 1995 about twice as fast (nearly 6pp) as in England. Table 3.1 shows over the monitoring period, the employment rate as a percentage of the population of working age in Tyne & Wear rose 5.7 percentage points from 63.6% in 1995-96 to 69.3% in 2004-05, compared to a 2.6 percentage point rise from 72.1% to 74.7% in England[23]. The employment rate in Tyne & Wear has risen more rapidly than the national rate. It still remains below the national average[24].

23 *England has been used here instead of GB. Due to an error in the new Annual Population Survey (APS), the data series for Apr. 2004 to Mar. 2005 for records for Wales, Scotland and N. Ireland means that the data set for GB was affected and could not be used. Estimates for England were unaffected and have been used instead.*

24 *Caution is required when using LFS data (taken for the Mar-Feb periods from 1995 to 2004). The sampling variability of LFS estimates at low-level geographies (such as Tyne & Wear) is most likely over ±3 percentage points, making comparisons based on single year (and single quarter) estimates statistically unreliable.*

The employment rate amongst men in Tyne & Wear has increased 5pp over the monitoring period compared to an increase of 2.3pp in England. Amongst women, the employment rate in Tyne & Wear has increased 6.6 percentage points compared to a 2.9pp rise in England between 1995 and 2005.

Over the last three years (2002-2005), the employment rate in Tyne & Wear has remained steady at an average of 69.4%. In England, the average employment rate over the same three-year period was 74.9%. Tyne & Wear's employment rate therefore remains on average, 5.5 percentage points below England.

Table 3.1: Employment rate, 1995-2005 (Mar-Feb period)

	1995-96	1996-97	1997-98	1998-99	1999-00	2000-01	2001-02	2002-03	2003-04	2004-05
Tyne & Wear										
% of all PWA	63.6	63.8	65.6	64.8	65.0	66.1	67.8	69.2	69.9	69.3
% of male PWA	67.2	68.2	69.2	68.9	68.2	68.9	69.1	69.9	73.1	72.2
% of female PWA	59.7	59.0	61.7	60.4	61.5	63.1	66.4	68.6	66.6	66.3
England										
% of all PWA	72.1	72.8	73.6	74.3	74.8	75.2	75.1	75.0	75.0	74.7
% of male PWA	77.2	77.8	78.9	79.5	79.9	80.1	80.1	79.7	79.8	79.5
% of female PWA	66.7	67.5	68.0	68.9	69.4	69.9	69.9	70.0	70.0	69.6

Data from March 1995 to February 2004 taken from the Labour Force Survey.

Data for 2004-05 are taken from the new Annual Population Survey for the period April 2004 to March 2005

Source: LFS/APS on NOMISweb

Over the last year (2004-05), the Tyne & Wear employment rate was 5.4pp lower than the England average. The Tyne & Wear female employment rate was 3.3pp lower than that in England, which is closer to the England average compared to both the rates for all working age people and, especially, for males (7.3pp).

The 'State of the Cities' report produced on behalf of the ODPM in February 2006 can be used to corroborate data on employment change in Tyne & Wear (see Appendix A2)[25]. The report provides details of estimated employment change between 1991-2003 for London, Mets and large cities[26].

For the Newcastle metropolitan area (Tyneside), total employment growth was 8.5%. This was the fourth highest employment growth of the 6 Met. areas and 14.4pp behind the leader, Leeds, with employment growth of 22.9%. Newcastle is argued to have performed well despite a fall in manufacturing jobs (-14.9%) and the poorest employment growth in financial service jobs (7.5%, compared to the 5 other 'Mets' with growth of 30%+).

For Sunderland, total employment growth was 14.3% between 1991 and 2003. This was the strongest employment growth recorded out of all 9 of the large cities in the North & West included in the category. In contrast to the Newcastle 'Met' (Tyneside), Sunderland experienced a less significant fall in manufacturing employment (-4.1%) and a 49.5% increase in employment in financial services.
The report also identifies the percentage change of employees in research and development per 1,000 employees between 1991 and 2001. Both Tyneside and Sunderland fall below the England average of 0.40%. Tyneside falls within the threshold -14.2 to -1.0%, while Sunderland performs slightly better at 0.0 to 0.2%. In terms of the percentage change of employees in knowledge intensive business service

25 *The 'State of the English Cities' report only contains reference to rankings on employment rates for selected travel to work areas (data on all areas does exist via the 'State of the Cities Database'-for details see ODPM website)*

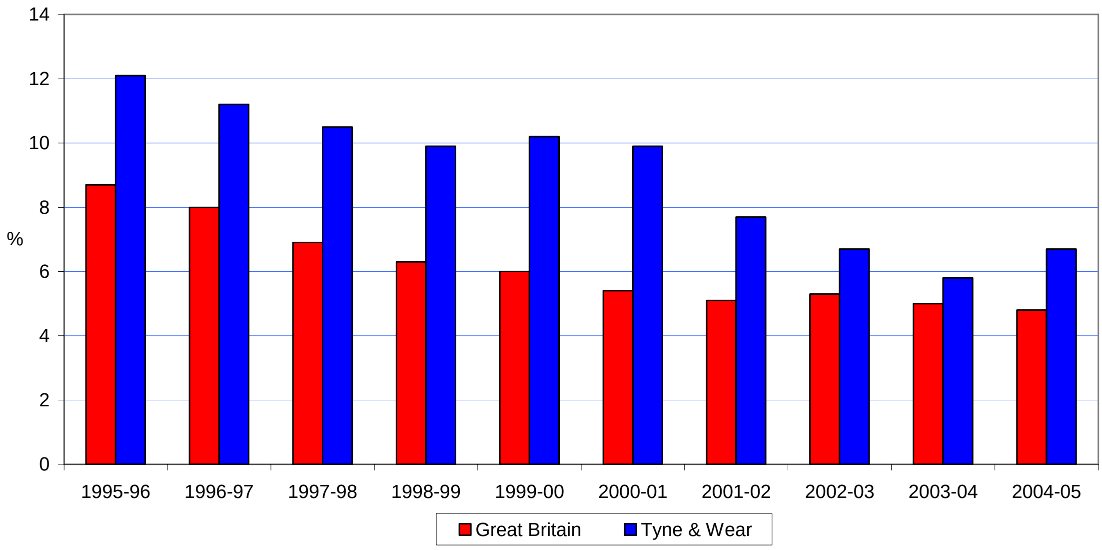
26 *Mets are defined as the cities of the former metropolitan counties and include Birmingham, Leeds, Liverpool, Manchester, Newcastle and Sheffield. 'Newcastle' is broadly identified as 'Tyneside'. 'Sunderland' is defined as a 'Large city'.*

between 1991 and 2001, Sunderland performs within the same threshold as the England average (1.26 to 2.0%) whereas Newcastle falls significantly below this, within the threshold -0.20 to -0.01%.

3.2 Unemployment

The unemployment rate in Tyne & Wear has fallen significantly over the 10-year period, with the gap between it and the national rate closing to less than 1 percentage point in 2003-04 (see Figure 3.1 below).

Figure 3.1: Unemployment Rate, 1995-2005



Source: LFS/APS on NOMISweb (Years are to Feb. up to 2004, then up to Mar. to 2005)

The unemployment rate in Tyne & Wear has also fallen at a faster rate than England, down 5.4pp from 12.1 to 6.7% over the monitoring period compared to a 3.9pp fall in England from 8.6% to 4.7%.

Following a similar trend to the England average, the unemployment rate in Tyne & Wear has fallen steadily over the 10-year monitoring period with two exceptions. An increase was recorded in 1999-00 (up 2,000 to 10.2%). The unemployment rate also increased in 2004-05 in Tyne & Wear according to the new APS data series (up 5,500 on the previous year from 5.8 % to 6.7%). This latest recorded increase in the unemployment rate in Tyne & Wear follows a period where it has consistently fallen (from 10.2% in 1999-00 to 5.8% in 2003-04). This latest rise contrasts with the England average rate, which continued to fall.

The latest increase in the unemployment rate recorded in the APS to March 2005 is corroborated in the more recent Claimant Count dataset from ONS[27]. Compared to a year ago, the total claimant count in Tyne & Wear in December 2005 was up 605 or 2.9%. The claimant count also rose in 2005 in the North East (up 5.9%) and in the UK (up 10.2%).[28]

[27] *Claimant count figures are a count of claimants of Jobseekers Allowance and are expressed as a proportion of the resident population of working age (females 16-59, males 16-64)*

[28] *'Changes in Total Claimant Count, Unadjusted: December 2005' taken from TWRI's publication 'Unemployment, Training and Vacancies: December 2005' published in January 2006. Original data source: ONS (Unadjusted figures are presented because seasonally adjusted figures are not available at county, travel to work area or local authority district level)*

INDICATOR 4: YOUNG PEOPLE IN STRUCTURED LEARNING, EMPLOYMENT OR HIGHER EDUCATION INSTITUTIONS (HEIS)

An important aim of the TWES is to raise the aspirations of young people for learning and work. By monitoring the three indicators set out below, TWP should be able to actively target young people at each stage of education and employment. The indicators are: participation of 16 and 17 year olds in education and training; participation of 16-19 year olds in employment; and the number of 18-20 year olds accepting places at Higher Education Institutions.

4.1 Participation of 16 and 17 year olds in education and training

From 1999 to 2003, the proportion of 16 and 17 year olds in full-time education was, on average, 59% in Tyne & Wear. This is 0.6 percentage points lower than in West Yorkshire and 6.2 pp lower than nationally. However, Tyne & Wear did show the largest rise over the period (up 4pp from 56 to 60%) compared to West Yorkshire and England (no change and +1pp respectively) (see Table 4.1 below)

Table 4.1: Education and training of 16 and 17 year olds, 1999 to 2003

percentage of age group

	Full-time education					Total education and work-based learning[1]				
	1999	2000	2001	2002	2003	1999	2000	2001	2002	2003
Tyne & Wear	56	58	61	60	60	82	84	83	80	79
West Yorkshire	59	60	60	60	59	80	80	78	76	75
England	65	65	65	65	66	80	80	78	78	79

[1]Total of all full-time and part-time education and WBL, less WBL provision in education institutions

Note: Due to margin of error surrounding local level participation estimates and the use of school level data for independent schools participation rates can be over 100 per cent. For these areas, an asterix is placed in the table. For 2001 onwards, information for pupils in maintained schools, CTCs and academies is included by the pupil's residence, rather than the address of the school

Source: DfES 'Particiaption in education and work based learning of 16 and 17 year olds: Learning and Skills Council Areas Tables'

When we include all 16 and 17 year olds in education and training, Table 4.1 shows that Tyne & Wear actually performs better than West Yorkshire and England with an average participation of 81.6% between 1999 and 2003 (compared to 77.8% and 79% respectively). However, over the five year period between 1999 and 2003 the proportion of those participating in education and WBL[29] in Tyne & Wear fell 3pp from 82% in 1999 to 79% in 2003 (compared to a fall of 5pp in West Yorkshire from 80 to 75% and a fall of 1pp in England from 80 to 79%). One possible explanation for this could be that over the same period, an increase in the participation of 16-19 year olds in employment was recorded (see section 4.2 below). It is important to point out here that the average rate of participation in education and WBL in Tyne & Wear in 2003 remains the same as the national average at 79% and above that in West Yorkshire (75%).

4.2 Participation of 16-19 year olds in employment

Participation of 16-19 year olds in employment in Tyne & Wear has fluctuated over the period 2000 to 2004 (see Table 4.2). Following an increase of 6.5 percentage points between 2001 and 2002, the employment rate has fallen slightly over the period 2002 to 2004. In 2002-03, the employment rate in Tyne & Wear was only marginally below the average in West Yorkshire, England and Great Britain.

[29] *WBL is Work-Based Learning*

However, in 2003-04, the employment rate in Tyne & Wear did fall slightly compared to three comparator areas.

Table 4.2: Participation in Employment of 16-19 year olds, 2000-2004

	Mar 2000-Feb 2001		Mar 2001-Feb 2002		Mar 2002-Feb 2003		Mar 2003-Feb 2004	
	Number	**%**	**Number**	**%**	**Number**	**%**	**Number**	**%**
Tyne & Wear	24,000	44.4	28,000	50.9	29,000	50.0	28,400	48.2
West Yorkshire	61,000	57.0	58,000	53.2	56,000	50.5	60,900	54.0
England	1,217,000	52.2	1,246,000	52.3	1,246,000	50.9	1,251,100	50.2
Great Britain	2,725,000	52.3	2,780,000	52.1	2,852,000	50.7	2,908,200	50.2

Source: Local Area Labour Force Survey on NOMISweb

Participation of young people (16-19) in employment in Tyne & Wear, on average, from 2000 to 2004 was lower than in West Yorkshire (48.4% as opposed to 53.7%). Between 2000 and 2004, participation was, on average, 5.3pp lower in Tyne & Wear than in West Yorkshire. This corresponds with the average difference for the period 1998-2000 (Tyne & Wear was identified as being 5pp below West Yorkshire in the Baseline Report 2004).

4.3 Numbers of 18-20 year olds accepting a place at a Higher Education Institution

The number of people applying for, and accepting, a place at a higher education institution in Tyne & Wear has increased by 35.8% between 1996 and 2004. This was higher than the increase recorded over the same period for West Yorkshire (33.8%). Both were little above half the rate of increase recorded for the UK at 61.9% (see Table 4.3 below).[30]

Table 4.3: Number of 18-20 year olds accepting places at an HE Institution, 1996-2004

	Sex	1996	1997	1998	1999	2000	2001	2002	2003	2004	% change 1996-2004
Tyne & Wear	Women	1,600	1,686	1,953	2,042	2,011	2,147	2,141	2,213	2,233	39.6%
	Men	1,398	1,524	1,736	1,701	1,801	1,918	1,840	1,938	1,838	31.5%
	All	2,998	3,210	3,689	3,743	3,812	4,065	3,981	4,151	4,071	35.8%
West Yorkshire	Women	3,343	3,992	3,966	4,086	4,127	4,464	4,535	4,657	4,814	44.0%
	Men	3,323	3,693	3,848	3,856	3,834	4,147	4,115	4,207	4,108	23.6%
	All	6,666	7,685	7,814	7,942	7,961	8,611	8,650	8,864	8,922	33.8%
UK	Women	83,938	117,579	124,503	128,716	131,899	137,800	140,545	142,236	143,961	71.5%
	Men	80,957	109,443	113,878	116,132	117,784	123,035	123,249	122,940	122,923	51.8%
	All	164,895	227,022	238,381	244,848	249,683	260,835	263,794	265,176	266,884	61.9%

Note: Data extracted from UCAS' database contains some students aged under the age of 18 due to error. However, some students under 18 will legitimately be applying to HEIs. For consistency, they have all been included in the total.

Source: University and Colleges Admissions Service (UCAS)

In Tyne & Wear acceptances among women and men have risen since 1996. When compared to West Yorkshire, Tyne & Wear acceptances have increased faster for men (32% compared to 24%) but fall behind the increases recorded for women (40% compared to 44%). Both regions fall well below the rate of increase recorded nationally (men: 52% and women: 72%).

In terms of more recent changes, the numbers of 18-20 year olds in Tyne & Wear accepting a place *fell* between 2003 and 2004. There was a decrease in the number of acceptances (down 80). This was a

[30] *Note: the 'State of the English Cities' report (ODPM, 2006) contains details of the change in % of working age population with degree level qualifications 1991-2001 for selected cities. Data on 'Newcastle' and 'Sunderland' are not given but may be available via the State of the Cities Database (see ODPM website for more details).*

percentage change decrease of -1.9%. In West Yorkshire and the UK, slight increases were recorded (changes of +0.65% and +0.64% respectively).

There was a clear difference in the changes recorded for 2004 by gender. The number of women accepting places in higher education institutions in 2004 in Tyne & Wear increased slightly on the previous year (+0.9% change). The number of men accepting places fell by 5.2%. These changes broadly correspond with those taking place in both West Yorkshire and the UK (though the fall in men accepting places was more substantial in Tyne & Wear).

INDICATOR 5: QUALIFICATIONS TO NVQ2, NVQ3+ AND NVQ4+

The TWES seeks to address skills shortages in Tyne & Wear, as well as attracting and retaining highly qualified and creative talent. One element of this aim is to see improvements in the educational achievements of the Tyne & Wear population. The following set of indicators at 3 qualification levels is key to monitoring the success of the strategy.

5.1 NVQ2 (broadly 'GCSE'-level)

Since 1999/00, the proportion of 15 year olds in Tyne & Wear achieving 'good' GCSEs has risen 8 percentage points from 36.4% to 44.2% in 2003/04 amongst boys (Eng. 41.7 to 48.7%) and also risen 10 percentage points from 44.0% to 54.1% amongst girls (Eng.52.6 to 58.8) (see Table 5.1 and Figures 5.1 & 5.2 below).

The proportion gaining no passes fell slightly for boys from 7.7% in 1999/00 to 7.5% in 2003/04 but by 1.6pp for girls from 6.3% to 4.7% (In England, the proportion gaining no passes remained largely unchanged for girls and rose marginally for boys).

In terms of more recent trends, in 2003-04, Tyne & Wear markedly improved its performance rate for boys and girls with good GCSEs (from 41.1% in 2002/03 to 44.2% for boys and from 51.8% in 2002/03 to 54.1% for girls). This was an increase of 3.1pp for boys and 2.3pp for girls (in West Yorkshire 1pp and 1.2pp respectively and in England 0.8pp and 0.6pp)

The proportion gaining no passes between 2002/03 and 2003/04 rose 0.1pp for boys in Tyne & Wear (West Yorkshire +0.9pp and Eng. +0.1pp) and fell 0.7pp for girls in Tyne & Wear (fell 0.6pp in West Yorkshire and no change in England)

In terms of general attainment in 2003-04 of those achieving 5+ A*-C grades, Tyne & Wear is still 4.5pp behind the England average for boys and 4.7pp behind for girls. Tyne & Wear is however considerably ahead of West Yorkshire by 3.1pp for boys and 3.3pp for girls.

Table 5.1: NVQ2 level attainment for Boys & Girls, 1999-2004

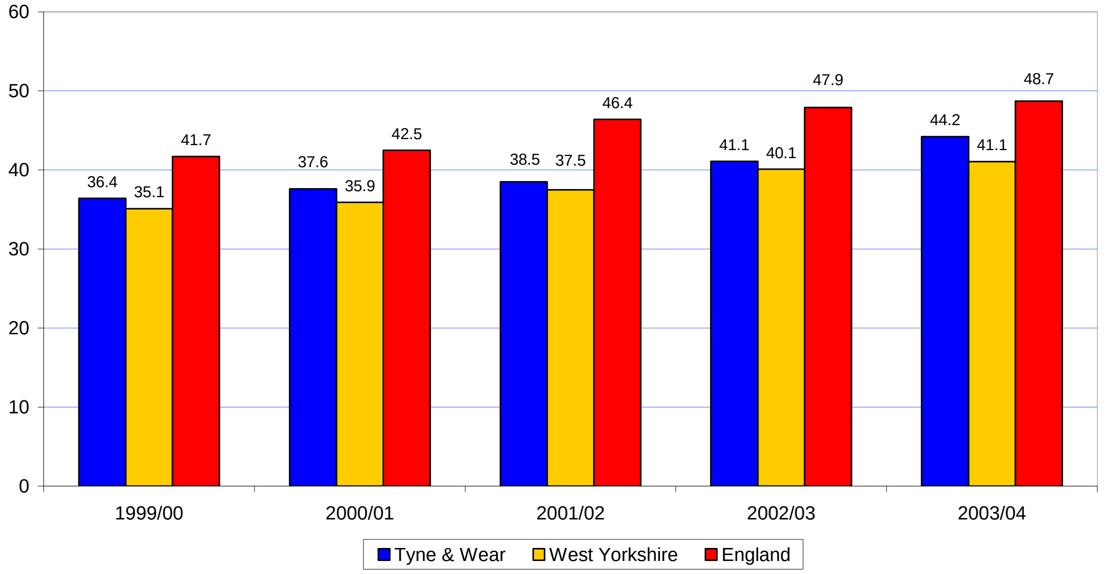
Boys		**Number of 15 year olds§**	**Percentage of 15 year old§ pupils achieving at GCSE or GNVQ equivalent**		
			5+ A*-C grades		**No Passes**
Tyne and Wear	1999/00	6,210	36.4		7.7
	2000/01	6,600	37.6		7.9
	2001/02	6,689	38.5		8.0
	2002/03	6,731	41.1		7.4
	2003/04	6,618	44.2	up 8pp	7.5
West Yorkshire	1999/00	12,435	35.1		7.7
	2000/01	12,644	35.9		7.0
	2001/02	12,709	37.5		6.9
	2002/03	12,955	40.1		6.3
	2003/04	13,366	41.1	up 6pp	7.2
England Average	1999/00	270,529	41.7		5.8
	2000/01	281,926	42.5		5.9
	2001/02	309,747	46.4		6.4
	2002/03	317,494	47.9		6.3
	2003/04	327,415	48.7	up 7pp	6.4

Girls		**Number of 15 year olds§**	**Percentage of 15 year old§ pupils achieving at GCSE or GNVQ equivalent**		
			5+ A*-C grades		**No Passes**
Tyne and Wear	1999/00	6,140	44.0		6.3
	2000/01	6,462	45.8		5.6
	2001/02	6,512	49.2		5.7
	2002/03	6,565	51.8		5.4
	2003/04	6,572	54.1	up 10pp	4.7
West Yorkshire	1999/00	11,853	45.4		6.5
	2000/01	12,231	46.1		5.2
	2001/02	12,340	49.5		5.1
	2002/03	12,594	49.6		5.3
	2003/04	12,927	50.8	up 5 pp	4.7
England Average	1999/00	262,769	52.6		4.2
	2000/01	272,580	53.4		4.2
	2001/02	296,807	57.0		4.3
	2002/03	304,628	58.2		4.1
	2003/04	316,159	58.8	up 6pp	4.1

§ Data is reported by the Department for Education and Skills as '15 year olds', but will include students aged 16 at the time of sitting the examinations.

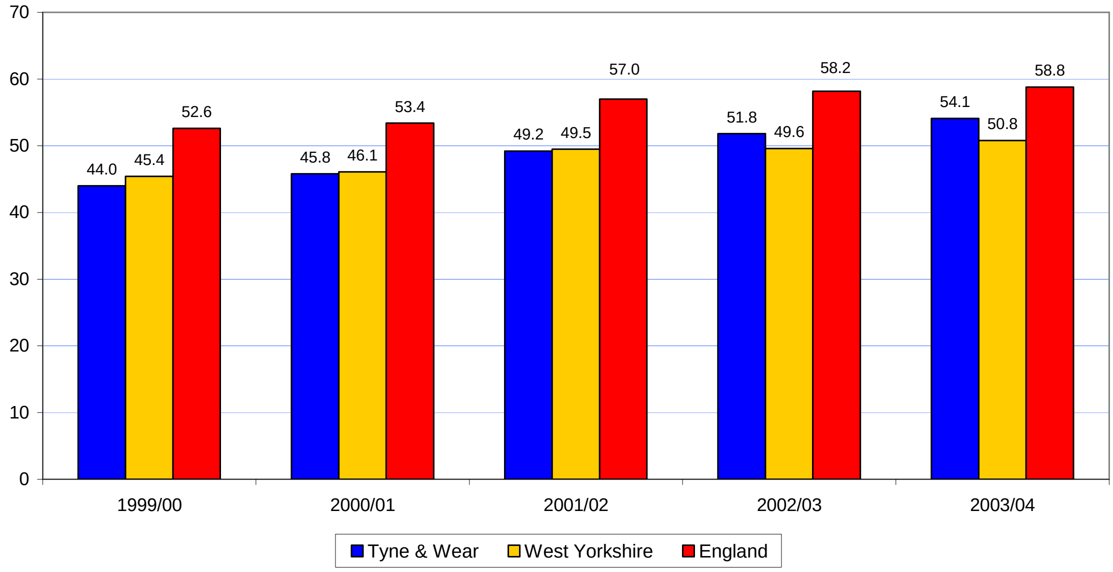
Source: Department for Education & Skills 'GCSE/GNVQ Results and Key Stage 3 to GCSE/GNVQ Value Added Measures for Young People in England' 1999/00 to 2002/03

Figure 5.1: Percentage of 15 year old boys with 5+ (A-C) GCSE/GNVQ



Source: Department for Education and Skills (DfES)

Figure 5.2: Percentage of 15 year old girls with 5+ (A-C) GCSE/GNVQ



Source: Department for Education and Skills (DfES)

5.2 NVQ3+ (broadly 'A-level' standard)

In the period between March 1999-Feb 2000 and March 2003-Feb 2004, the proportion of PWA educated/trained to at least NVQ level 3 in Tyne & Wear improved from 35% to 39.6% (an increase of 4.6pp compared to 2.1pp in West Yorkshire and 3.8pp in Great Britain) (see Table 5.2).

Despite an overall improving trend, Tyne & Wear still remains below both West Yorkshire and the GB average by about 2 and 4pp respectively (in Mar 03-Feb 04 percentage of PWA with NVQ level 3+ was 39.6% in Tyne & Wear, 41.5% in West Yorkshire and 43.1% in Great Britain). Tyne & Wear does, however, compare more favourably when compared to data for the North East overall (39.6% in Tyne & Wear compared to 38.9% in NE in March 03-Feb 04)

Table 5.2: Percentage of all working-age with NVQ level 3+

	Tyne & Wear (Met County)	West Yorkshire (Met County)	North East	GB
Mar 1999-Feb 2000	35.0	39.4	34.5	39.3
Mar 2000-Feb 2001	36.2	39.5	35.4	40.3
Mar 2001-Feb 2002	37.7	38.4	37.2	41.0
Mar 2002-Feb 2003	39.6	40.2	37.9	42.0
Mar 2003-Feb 2004	39.6	41.5	38.9	43.1

The percentage figures are based on working age population.

Source: Local area labour force survey

Taking a 3-period average from March 01- Feb 04 the proportion of PWA qualified to NVQ level 3 in Tyne & Wear (39%) is marginally below that in West Yorkshire (40%), both being below the national average (42%).

5.3 NVQ4+ (broadly 'Degree'-level)

The proportion of PWA qualified to NVQ level 4+ in Tyne & Wear shows a slightly improving trend relative to figures for West Yorkshire and Great Britain (Table 5.3)

Table 5.3: Percentage of all working-age with NVQ level 4+

	Tyne & Wear (Met County)	West Yorkshire (Met County)	North East	GB
Mar 1999-Feb 2000	16.6	21.1	16.8	22.5
Mar 2000-Feb 2001	18.8	21.7	18.5	23.3
Mar 2001-Feb 2002	19.1	20.7	18.6	23.6
Mar 2002-Feb 2003	20.5	21.3	19.3	24.2
Mar 2003-Feb 2004	21.4	22.7	20.7	25.2

The percentage figures are based on working age population.

Source: Local area labour force survey

In the period between March 1999-Feb 2000 and March 2003-Feb 2004, the proportion of PWA educated to NVQ level 4 rose from 16.6% to 21.4% in Tyne & Wear (an increase of 4.8pp over the five year period, compared to 1.6pp in West Yorkshire and 2.7pp in Great Britain). It therefore rose faster than GB and 3 times as fast as West Yorkshire.

Despite this overall improving trend, Tyne & Wear still remains below both West Yorkshire and the national average (in Mar 03-Feb 04, the percentage of PWA with NVQ 4 was 21.4% in TW compared to 22.7% in West Yorkshire and 25.2% in GB. Tyne & Wear is 3.8 pp below the national average). Again, Tyne & Wear compares more favourably to data for the North East (21.4% in Tyne & Wear compared to 20.7% for the NE in March 03-Feb 04)

Taking a 3-period average from March 01- Feb 04 the proportion of PWA qualified to NVQ level 4 in TW (20.3%) is marginally below that in West Yorkshire (21.6%), both being below the national average (24.3%).

INDICATOR 6: POPULATION

The TWES aims to reverse the historical population decline in Tyne & Wear through accelerated economic growth and greater labour market opportunities. This indicator illustrates the changes in the population over the monitoring period, allowing the trends to be linked to the indicators on economic growth, employment and migration.

The population of Tyne & Wear fell significantly (down 2.8%) between 1996 and 2004, compared to population rises in West Yorkshire (up 1.6%) and the UK (up 2.9%) over the same period.
The population of Tyne & Wear fell consistently year-on-year from 1996 to 2003, but in 2004 the first population rise was recorded (up 2,380 or 0.2%). This change brings Tyne & Wear closer to the annual population change recorded in both West Yorkshire and the UK for 2004 (0.6 and 0.5 respectively).

The ‘State of the English Cities’ report (ODPM, 2006) highlights how population in both Newcastle ‘Met’ (Tyneside) and Sunderland continued to fall over the periods 1991-1997 and 1997-2003 (see Appendix A3). Compared to the 5 other metropolitan areas listed, Newcastle performs poorly, being the only one to experience an increase in population decline over the two periods. Out of the 9 large cities listed in the North & West, Sunderland, Hull and Stoke are the only ones to continue to experience a worsening of population decline over the two periods.

6.1 Population by Gender

The gender composition of population change in Tyne & Wear reveals that while the male population has fallen 2.5%, the female population has fallen more significantly at 3.1% between 1996 and 2004 (see Table 6.1). In both West Yorkshire and the UK over the same period, the male and female population has increased (1.8% and 1.5% in West Yorkshire and 3.5 and 2.3% in the UK)

Table 6.1: Population, by gender (1996-2005)

		1996	1997	1998	1999	2000	2001	2002	2003	2004	Net change 1996-04
Tyne & Wear	Men	540,574	537,519	534,550	529,987	526,970	526,025	525,325	525,333	526,896	-13,678
	Women	576,520	572,984	569,360	565,480	562,105	560,791	558,706	557,878	558,695	-17,825
	All persons	1,117,094	1,110,503	1,103,910	1,095,467	1,089,075	1,086,816	1,084,031	1,083,211	1,085,591	-31,503
West Yorkshire	Men	1,007,214	1,006,713	1,007,015	1,005,185	1,004,721	1,009,553	1,014,675	1,018,293	1,025,345	18,131
	Women	1,067,003	1,066,031	1,066,036	1,067,093	1,068,934	1,073,548	1,075,992	1,077,569	1,082,683	15,680
	All persons	2,074,217	2,072,744	2,073,051	2,072,278	2,073,655	2,083,101	2,090,667	2,095,862	2,108,028	33,811
UK	Men	28,287,144	28,371,035	28,458,360	28,578,474	28,690,450	28,832,420	28,963,098	29,108,023	29,270,975	983,831
	Women	29,877,230	29,943,214	30,016,583	30,105,953	30,195,615	30,281,077	30,358,588	30,445,736	30,563,339	686,109
	All persons	58,164,374	58,314,249	58,474,943	58,684,427	58,886,065	59,113,497	59,321,686	59,553,759	59,834,314	1,669,940

Source:1996-2003, ONS, Population Estimates Unit [Crown Copyright] [Note: These estimates are revised MYEs in light of local authority population studies (7 October 2004)

Source: 2004, ONS' Population Estimates Unit, Mid Year Estimates, Corrected data due to Harrow correction (figures unrounded)

INDICATOR 7: MIGRATION

Migration is important to policy planners and strategists in terms of housing, transport routes, health and education provision. However, it also illustrates an implicit indication of relative performance in terms of labour markets, standards of living and prospects.

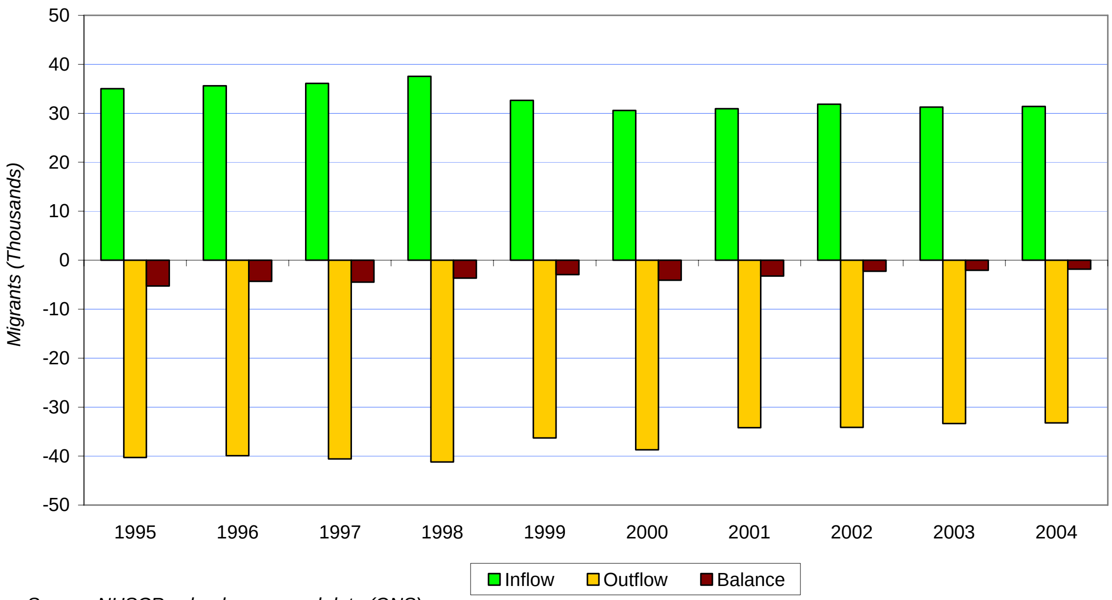
7.1 Net Migration

In Tyne & Wear over the period 1995 to 2004, despite net out-migration in every year, net out-migration fell by 65% from -5,423 in 1995 to -1,833 in 2004 (see Figure 7.1 below). In terms of more recent trends, between 2003 and 2004 net migration fell from -2,063 to -1,833 (by 11.1%) due to a rise in in-migrants and a fall in out-migrants.

In terms of domestic migration, the composition of in-flows revealed migrants to be travelling longer distances into Tyne & Wear; however major out-flows from Tyne & Wear comprised of migrants travelling shorter distances. Major net gains in migrants to Tyne & Wear in 2004 came from the South East region (+2,110). Major net out-flows of migrants from Tyne & Wear in 2004 were to Northumberland (-1,150) and to County Durham (-990).[31]

In terms of international migration, Tyne & Wear experienced net in-migration in 2004 (+5,300). Inflow into Tyne & Wear was 10,700, whereas outflow was only 5,300[32].

Figure 7.1: Migration flows in Tyne & Wear (all ages), 1995-2004



Source: NHSCR calendar year end data (ONS)

7.2 Migration Inflows

Inflow between 1995 and 2004 fell 3,664 from 35,037 to 31,373[33]. This is a % change between 1995 and 2004 of -10.5% (see Table 7.1 below). In terms of recent trends, between 2002 and 2003, Tyne & Wear experienced a fall in inflow but between 2003-04, experienced a slight increase from 31,293 to 31,373 (an increase of 80 or 0.03%).

31 *Internal Migration data based on patient register data and patient re-registration recorded in the NHSCR (ONS Table 2a 'Movements between Local Authorities in England and Wales' for the year ending June 2004)*

32 *International Migration data estimates taken from the International Passenger Survey: mid-year for 2004 'Estimation of movements into and out of the North East GOR'*

33 *NHSCR data (year end to Dec.)*

If we explore trends in in-flows by age group between 1995 and 2004, the data shows a % change fall in age groups 0-14 (-30.9%), 15-29 (-13.0%) and 65+ (-14.7%) and a % change increase in age groups 30-44 (+5.9%) and 45-64 (+11.3%)[34].

Further analysis of in-flows using table 7.1 shows that in terms of recent trends, between 2003 and 2004, a fall in in-flow (-4.8%) was recorded in the age group 0-14 (not associated with movements amongst parental age-bands; which rose). Slight increases in in-flows were recorded in age groups 15-29 and 30-44 (both core working groups). More significant increases were recorded in age groups 45-64 (+5.5%) and 65+ (+3.0%). [This contrast in age-groups is consistent with a switch of in-flows toward single adults and childless couples. This may reflect the growth of 'city living'][35].

Detailed analysis of in-flows shows that between 2003 and 2004, significant increases in in-flows were recorded in the specific age group 25-29 (up 4.5% from 4,261 to 4,452 due to an increase in young working age people) which is positive in terms of retaining skilled young professionals. Increases were also recorded in the age groups 45-49 (up 3.7% from 1,060 to 1,099) and 55-59 (up 17.6% from 597 to 702). One of the most significant decreases in in-flow was the -3.9% fall in the age group 20-24 (from 6,177 to 5,936). This is most likely linked to student/graduate movements.

Table 7.1: Migration In-flows in Tyne & Wear by age, 1995-2004

	1995	**1996**	**1997**	**1998**	**1999**	**2000**	**2001**	**2002**	**2003**	**2004**	**Change 1995-2004**	**% Change**
All Ages	35,037	35,611	36,099	37,544	32,611	30590	30,932	31,866	31,293	31,373	-3,664	-10.5
0-14	5,698	5,604	5,763	5,881	4,810	4524	4,472	4,429	4,136	3,937	-1,761	-30.9
15-19	6,003	6,120	6,351	6,756	6,318	5821	6,016	5,798	5,610	5,697	-306	-5.1
20-24	7,401	7,276	6,766	6,669	6,024	5778	5,754	5,911	6,177	5,936	-1,465	-19.8
25-29	5,090	5,187	5,363	5,417	4,507	4272	4,203	4,324	4,261	4,452	-638	-12.5
15-29	18,494	18,583	18,480	18,842	16,849	15871	15,973	16,033	16,048	16,085	-2,409	-13.0
30-34	3,416	3,603	3,684	3,796	3,209	3032	3,062	3,336	3,421	3,467	51	1.5
35-39	2,015	2,057	2,257	2,411	2,105	1990	2,174	2,284	2,251	2,241	226	11.2
40-44	1,368	1,499	1,459	1,506	1,299	1316	1,374	1,493	1,476	1,493	125	9.1
30-44	6,799	7,159	7,400	7,713	6,613	6338	6,610	7,113	7,148	7,201	402	5.9
45-49	1,062	1,062	1,133	1,259	1,014	961	952	1,113	1,060	1,099	37	3.5
50-54	664	757	792	1,009	859	802	827	870	807	816	152	22.9
55-59	502	547	560	677	591	505	582	653	597	702	200	39.8
45-59	2,228	2,366	2,485	2,945	2,464	2268	2,361	2,636	2,464	2,617	389	17.5
60-64	464	438	458	505	556	410	408	476	377	379	-85	-18.3
45-64	2,692	2,804	2,943	3,450	3,020	2678	2,769	3,112	2,841	2,996	304	11.3
65+	1,353	1,461	1,513	1,658	1,319	1179	1,108	1,179	1,120	1,154	-199	-14.7
65-69	364	358	359	445	410	328	302	321	307	314	-50	-13.7
70-74	295	319	342	374	293	252	237	227	230	212	-83	-28.1
75+	694	784	812	839	616	599	569	631	583	628	-66	-9.5

Note: All ages total may not equal sum of age bands due to respondents where age was 'not specified', although this should be a minor effect.

Source: NHSCR calendar year end data (ONS), flows by sex and broad age group

7.3 Migration Outflows

Outflow between 1995 and 2004 fell 7,074 from -40,280 to -33,206. This a percentage change between 1995 and 2004 of -17.6% (see Figure 7.1). In terms of more recent trends, between 2002-03 Tyne & Wear experienced a decrease in outflow from -34,117 to -33,356 (-761 or -2.2%) and between 2003-04 this trend continued (more slowly) from -33,356 to -33,206 (a decrease of 150 or -0.4%).

34 *Caution: These changes are partly due to cohort effects*

35 *See IPPR report 'City Living' (2006) which showed the demographic characteristics of these people at least in Manchester, Liverpool and Dundee.*

INDICATOR 8: EARNINGS

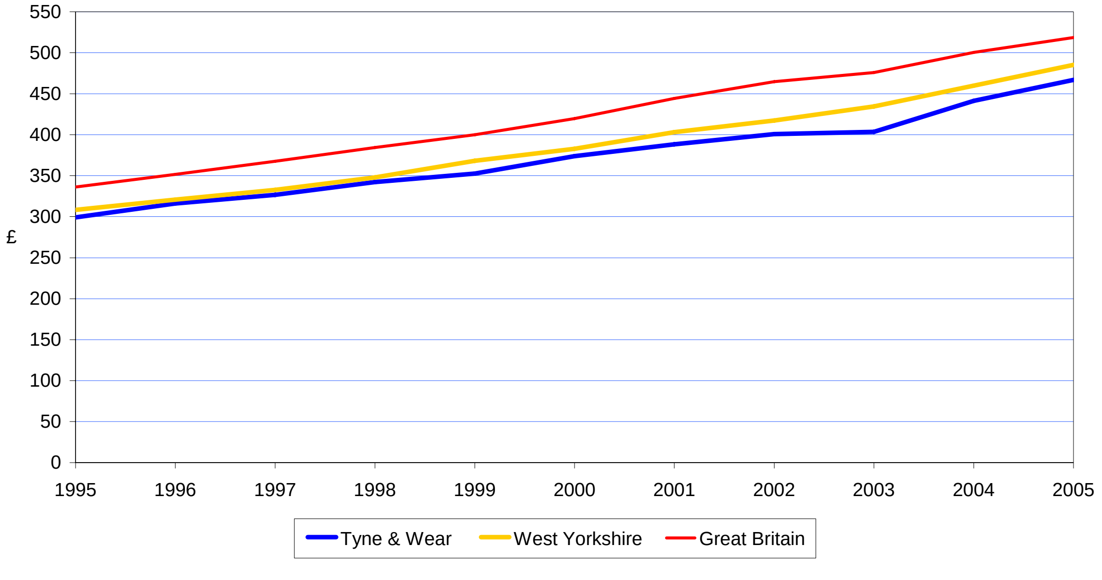
The TWES aims to enhance and develop the Tyne & Wear workforce, as well as attracting the most highly skilled professionals to the sub-region. Success will be partly dependent on retaining, creating and increasing the opportunities within Tyne & Wear for workers to receive high and rising (real) earnings commensurate with those high skill levels.

In Tyne & Wear, average gross weekly earnings have been consistently lower than in West Yorkshire and Great Britain over the period 1995-2005 (see Figure 8.1 below).

In Tyne & Wear, there was a 56.0% increase in weekly earnings over the period 1995-2005[36]. This exceeds the percentage change increase recorded for GB (54.2%) and falls only marginally below that recorded for West Yorkshire (57.4%). In 1995, earnings in Tyne & Wear were 97% of the West Yorkshire level and 89% of the GB level. In 2005, Tyne & Wear earnings were 96% of the West Yorkshire level (a 1pp fall over the 10 year period) and 90% of the GB level (a 1pp increase over the 10 year period).

Since 2003 however, the new series of data from ASHE has recorded a large increase in average gross weekly earnings in Tyne & Wear, West Yorkshire and Great Britain. In 2005, Tyne & Wear's average (£466.8) remained below both West Yorkshire (£485.3) and GB (£518.7). In terms of recent changes, over the period 2004-2005, the data from ASHE indicates more positive trends emerging for Tyne & Wear. The increase in earnings 2004-05 was 5.8% in Tyne & Wear, compared to a 5.5% increase in West Yorkshire and only a 3.6% increase in GB. [Caution: these estimates are subject to sampling variability, so apparent changes might not be real.][37]

Figure 8.1: Average Gross Weekly Earnings (£), 1995-2005



Source: New Earnings Survey (1995-2003), Annual Survey of Hours and Earnings (2004-05), ONS [Crown Copyright]

[36] *Caution: Data for the period 1995-2005 is taken from a mix of the old New Earnings Survey (1995-2003) and the new Annual Survey of Hours and Earnings (ASHE) (2003-2005). Note: ONS replaced the long, consistent earnings time-series from NES, from April 2004. The new series, ASHE, is supposed to be superior in quality, but has less local detail.*

[37] *The 'State of the English Cities' report (ODPM, 2006) does contain details of weekly earnings in selected travel to work areas (data on all areas does exist via the 'State of the Cities Database'-for details see ODPM website)*

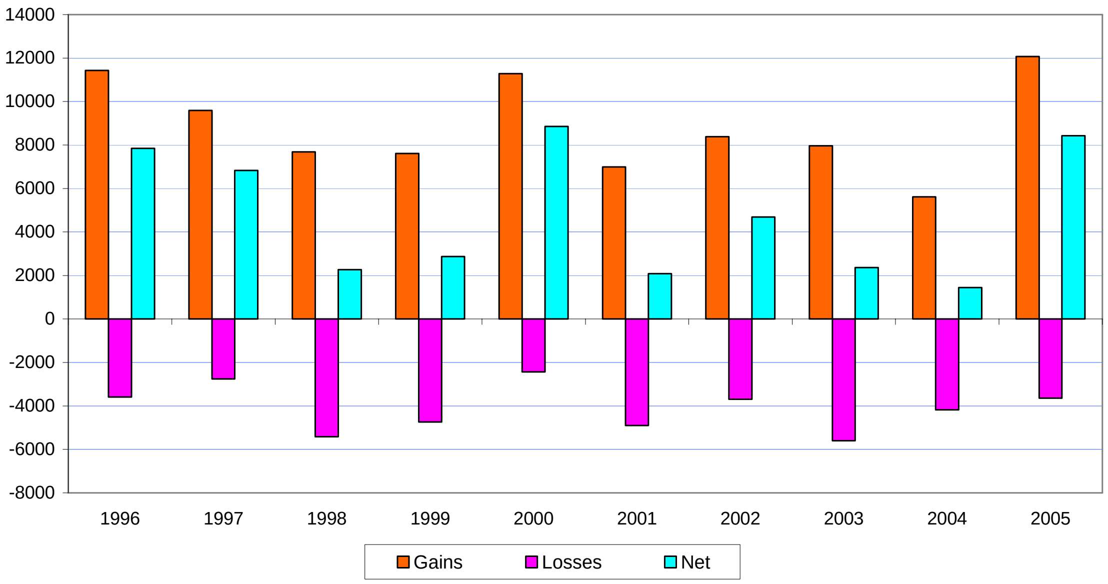
INDICATOR 9: REPORTED JOB GAINS AND LOSSES[38]

The data for job gains and losses (as recorded by the press[39]) is a purely 'indicative measure' of the state of the labour market in Tyne & Wear. Under-reporting of job losses is a known problem with this source. However, some simple analysis should provide a useful insight into periods of strength and weakness in Tyne & Wear.

In Tyne & Wear over the period 1996 to 2005, reported job gains have outweighed job losses in every year (see Figure 9.1 below). Nevertheless, of the last five years, 2001, 2003 and 2004 were sluggish.

In 2004, job gains fell to their lowest level over the monitoring period (5,621), resulting in a net job gain of just 1,437 for the year (also the lowest net gain over the monitoring period). In 2005, net job gains were particularly strong following a number of relatively weak years since 2000. The number of net job gains totalled, 8,431; the second highest net gain over the monitoring period. In 2005, the number of job gains reported rose 115% on the previous year (an increase of 6,452 to 12,073)[40]. The number of job losses fell to its lowest level since 2000 (3,642).

Figure 9.1: Job Gains and Losses in Tyne & Wear (all industries), 1996-2005



Source: TWRI Job change database (recorded from the press)

In 2005, major [gross] gains were to Business Services (+4,252), Banking & Finance (+3,650), Retail (+3,616), Hotels & Catering (2,415) and Manufacturing of Motor Vehicle parts (+1,361)**.** Major losses were to Public Administration (-1,390), Retail (-848), Electrical & Electronic Engineering (-760) and Business Services (-511).

38 *Caution: TWRI has a database of job gains and losses announced in the press since the beginning of 1996. Jobs are recorded by 2-digit SIC division (as well as by cluster group). The press tends to under-record job losses, overall. For example, particularly notable under-recordings have been numerous small losses across retailing and possibly from the offshore industry. It also tends to under-record job gains in public services.*

39 *Recorded by TWRI's job-change database. The threshold for inclusion is ±10 jobs.*

40 *The figure for job gains for 2005 (12,073) includes Northern Rock's planned new offices at Rainton Bridge, Sunderland, to employ 2,500, due to open in 2008.*

B) ADDITIONAL INDICATORS

INDICATOR 10: TOURISM[41]

One of the key aims of the TWES is to develop the sub-regional tourism economy by building on the strong cultural assets of Tyne & Wear, focusing on three growing visitor markets: domestic holiday tourism, business tourism and overseas tourism.

10.1: Tourism overview

Tyne & Wear is the most significant sub-region in the North East in terms of the number of visitors it attracts (39% of regional total), the number of visitor days spent in the sub-region (34% of the regional total), the amount of direct expenditure (42% of regional total) and in terms of direct employment/FTEs (39%). [Caution: data include stays with friends and family].

In Tyne & Wear, for overnight visitors only, the number of tourist days spent in the sub-region was 7.336m out of a regional total of 21.723m. The total spend was £316m, the spend per person per day was £43.08 and the number of direct jobs (FTEs) was 11,527 (see Table 10.1 below).

Table 10.1: Sub-regional summary of tourism in North East (2004)

	Tourist Days (000s) [excludes day visitors]	Average Length of Stay (days)	Total Spend (£m)	Spend per day (£)	Total Direct Employment (FTEs)
County Durham	3,648	2.6	150	41.12	5,427
Northumberland	6,188	3.3	246	39.75	7,546
Tees Valley	4,551	2.2	164	36.04	5,388
Tyne and Wear	7,336	2.2	316	43.08	11,527
Total	21,723	2.5	876	40.33	29,888

Note: Overnight visitors only, except jobs

Source: 'Tourism Volume and Value Report 2004' (ONE, 2005)

Recent trends in tourism in Tyne & Wear demonstrate the continuing growth of this sector (see Table 10.2 below). Two key indicators include total revenue generated, which increased 6.1% over the period 2003-04, and total direct employment, which increased 2.8%.

41 *All data on the value and scale of tourism in Tyne & Wear was taken from the regional baseline study 'Tourism Volume and Value Report 2004'. This study explored the impact of tourism on the regional economy using the Scarborough Tourism Economic Activity Model (STEAM). The study was produced on behalf of One NorthEast in 2005.*

Table 10.2: Tyne & Wear Tourism Overview (2003-2004)

	2003	2004	% Change
Tourist Days (Thousands) [excludes day visitors]	7,044	7,336	4.1
Tourist Days (Thousands) [includes day visitors]	42,212	43,699	3.5
Tourist Numbers (Thousands) [includes day visitors]	38,348	39,726	3.6
Total Revenue (£m)	727.3	771.5	6.1
Total Direct Employment (FTEs)	11,215	11,527	2.8

Source: 'Tourism Volume and Value Report 2004' (ONE, 2005)

10.2: Economic Impact and Revenue

In Tyne & Wear, direct expenditure from tourism in 2004 was £496.9m (see Table 10.3 below). Total expenditure (including indirect expenditure and VAT) was £771.5m, about 4% of total GVA (County Durham £339.8m, Northumberland £345.3m and Tees Valley £339.0m). In Tyne & Wear the highest proportion of direct spending was on 'Food and Drink' (35%).

Table 10.3: Category of expenditure in the NE (£m) for 2004

	Co. Durham		Northumberland		Tees Valley		Tyne & Wear	
	£m	% of total	£m	% of total	£m	% of total	£m	% of total
Accommodation	48.7	22	73.7	32	35.3	16	89.3	19
Food and Drink	66.7	31	62.3	27	73.1	39	164.1	35
Recreation	16	7	14.7	6	19.5	9	35.3	8
Shopping	45.3	21	42.5	19	51.2	24	112.1	24
Transport	40.7	19	26.4	11	36.8	17	96.1	20
Total Direct	**217.4**		**229.6**		**215.9**		**496.9**	
Indirect	84.3		87.2		85.3		187.7	
VAT	38.1		38.4		36.8		86.9	
Total (including Indirect & VAT)	**339.8**		**345.3**		**339**		**771.5**	

Source: 'Tourism Volume and Value Report 2004' (ONE, 2005)

In Tyne & Wear, total direct expenditure increased 8.8% between 2003 and 2004 from £456.6m to £496.9m (see Table 10.4 below). The fastest increases in expenditure recorded were in 'Shopping' (up 7.6%) and 'Transport' and 'Food and Drink' (both up 7.0% respectively).

Table 10.4: Category of Expenditure in Tyne & Wear (2003-2004)

	2003 (£m)	2004 (£m)	% Change
Accommodation	87.8	89.3	1.7
Food and Drink	153.4	164.1	7.0
Recreation	33.3	35.3	6.0
Shopping	104.2	112.1	7.6
Transport	89.8	96.1	7.0
Total Direct	456.6	496.9	8.8
Indirect	176.7	187.7	6.2
VAT	82	86.9	6.0
Total	**727.3**	**771.5**	**6.1**

Source: 'Tourism Volume and Value Report 2004', Tyne & Wear, Appendix 1.2 & 2.5 (ONE, 2005)

10.3: Bedstock

In 2004, serviced accommodation[42] in Tyne & Wear was 17,069 beds and non-serviced accommodation was 3,134. The total bedstock was 20,203.

Tyne & Wear experiences a low degree of seasonality compared to the other sub-regions in the North East. This is because 84% of bedstock in Tyne & Wear is serviced. This tends to attract more business and short break visitors (the average length of stay in days of overnight visitors only is 2.2). 36% of regional expenditure by overnight visitors takes place in Tyne & Wear, yet it contains 42% of the region's bedstock.

INDICATOR 11: NEW BUILD BY ZONE

One of the aims of the TWES is to create **attractive places** which offer a wide range of employment, leisure, cultural, shopping and learning opportunities and a diverse mix of housing. The TWES identifies 5 'growth poles' for development and growth ('Sunderland ARC', 'A19 Corridor', 'Newcastle Discovery Quarter', 'Central Gateshead' and 'Tyne Gateway'). The aim is to concentrate economic growth where there is the greatest potential to link employment with the most deprived communities, sustainable transport and quality investment.

Data on commercial and housing completions and planning permissions granted for the Fiscal year 2004-05 (and in some cases 2005 to present) for each of the five growth poles is presented below[43]. It is the intention of the TyneWear Partnership that this information will provide a baseline from which to monitor future development taking place within each of the growth poles.

11.1: Newcastle Discovery Quarter

The Discovery Quarter comprises approximately 100 hectares (1km^2). The key objective of this growth pole is to extend the City Centre of Newcastle to the south and west of the Central Station to include a mix of heritage and new developments based around the knowledge economy and creativity. A key driver has been the acquisition of S&N Brewery site by Newcastle City Council, ONE and

[42] *Serviced accommodation is defined as hotels, motels, guest houses, B&Bs, farmhouses/inns providing breakfast. Non-serviced accommodation is defined as self catering cottages/apartments, static and towed caravans and camping.*

[43] *Note: data on planning permissions granted but still outstanding is also presented*

Newcastle University to be redeveloped as a research, academic and business hub (see Table 11.1 below).

11.2 Sunderland Arc

Sunderland Arc, the Urban Regeneration Company for Sunderland are bringing forward plans for key sites within the core riverside areas of Sunderland, to enhance the economy, infrastructure and quality of life of people in the city. Sunderland arc plan to create approximately 10,000 jobs, 300,000 sq. metres of development space and up to 4,000 new homes in this area (see Table 11.2 below).

11.3 Central Gateshead

The aim of this growth pole is to extend the flagship developments along Gateshead Quay. It will begin the transformation of Central Gateshead including the Town Centre, International Stadium and Knowledge Campus on Baltic Business Park, extending the success of the Baltic Quays development (see Table 11.3 below).

11.4 Tyne Gateway

The central aim of this growth pole is to complete the renaissance of South Shields Riverside/Town Centre, and North Shields Riverside to provide mixed-use developments which create a vibrant, attractive urban experience at the mouth of the Tyne (see Table 11.4 below).

11.5 A19 Corridor

The A19 corridor has become a significant focus for strategic employment sites including Silverlink, Cobalt Business Park and Doxford Park. The objective is to develop further commercial and industrial sites to meet 21st century business needs and provide access to employment to many of the most deprived communities in Tyneside, Wearside, East Durham and South East Northumberland. Plans include bringing forward new commercial space along the A19 Jobslink Corridor, a regeneration programme for Jarrow including a new Green Business Park and the development of a regionally important North of Nissan Strategic Employment Site (see Table 11.5 below).

Table 11.1: Developments in Newcastle Discovery Quarter Growth Pole (Jan 2004-March 2006)

Type	Development type	Location	Developer	Size (m2)	Status
Retail/ leisure	Conversion of car park/vacant space to **retail unit/bar**	Newcastle United FC, Strawberry Place	Newcastle United	1,616	Completed 2005
	Erection of 4-storey building for regional **Centre for Dance (Dance City)**	Waterloo Street, St James' Boulevard	Newcastle City Council	2,695	Completed 2005
	Change of use from warehouse to restaurant	George Street	Mr and Mrs Cheng	806	Approved 2003 (outstanding)
	Conversion from retail/warehouse to mixed-use restaurant/café, pub & nightclub,	Churchill St	Strategic Finance Ltd	578	Approved 2005
	Erection of **Hotel** (Express by Holiday Inn)with bar at ground level (6 storey, 130 bedrooms)	St James Boulevard	Office Stock Ltd	4,500	Completed 2005
	Conversion of men's hostel to **Hotel** and public bar (44 bedrooms)	Westmorland Road	John Sayers	1,746	Approved 2003 (outstanding)
Mixed-use	Erection of 8-storey and 6-storey office block, 7-storey residential and 3/4-storey food & drink development	Site bounded by Galllowgate, Bath Lane, Town Walls and St James' Boulevard	Cousins Properties Ltd	7,640 (8 storey block) + 9,850 (6 Storey)	8 storey office complete 2002; 6 storey office complete 2005
	6-8 storey mixed-use development with **Leisure & Retail** at basement, offices (1st & 2nd floor) and residential development on **upper floors (60 flats)**	St James' Boulevard/Waterloo Street	Crosby Homes and Amco Developments Ltd	1,099	Work started 2004
	Erection of 8-storey building and warehouse conversion to provide 5 commercial units and 137 residential flats	Bonded Warehouse Site	Zirca Ltd	1,400	Approved 2001 (oustanding)
	Erection of 8 storey building including café/restaurant on ground floor and **offices ground to 7th floor**	Car Park east of Strawberry Lane, Gallowgate	Gallowgate Properties Ltd	9,272	Approved 2005
	Erection of 11-storey building with class A3 at ground and first floors and **residential 2nd-10th floors**	Former Cattle Market Site, Scotswood Road	McAleer & Rushe Ltd	1,889	Completed 2005
	Erection of **further office building** as part of larger development	Former Cattle Market Site, Scotswood Road	McAleer & Rushe Ltd	10,985	Completed 2005
Office	Additional storey for offices	St James Boulevard	Norland Burgess	855	Approved 2003 (outstanding)
Housing	The Bar (143 newbuild housing units-flats/penthouses)	St James Gate	Persimmon	n/k	Completed 2005
	771 newbuild Housing units*	Site of former Calder Industrial Materials, Skinnerburn Road	Bellway	n/k	Outline permission granted 2002
	85 newbuild flats	Adjacent to Bonded Warehouse, Hanover Street	n/k	n/k	Permission granted 2001 (not started)
	52 converted flats	Former Bonded Warehouse	n/k	n/k	Permission gratned 2001 (not started)
	37 newbuild flats	Junction of Skinnerburn Road & Forth Banks	n/k	n/k	Permission granted 2005 (not started)
	2 Converted flats	Westgate Road	n/k	n/k	Permission granted 2005 (not started)

Source: Planning Department Information (provided March 2006)

Table 11.2: Developments in Sunderland Arc Growth Pole (April 2004-March 2005)

Type	Development type	Location	Applicant/ Developer	Size (m2)	Status
Retail/ leisure	Erection of **50m swimming pool** and other facilities	Land North West of Stadium of Light, Wreath Quay Road	Contracting Services/Red Box Design Group	n/k	Approved 2004
	CINE UK, Cinema	Lambton Street	n/k	n/k	Completed 2004
Mixed-use	Refurbishment of existing property and erection of 3 storey building to provide 5 retail units and 8 apartments. Erection of 4-storey building to provide 12apartments	Stockton Road	Glenrose Development Ltd/Wearmouth Architectural Design	n/k	Approved 2004
	Partial demolition of hotel, erection of 5-storey block for 37 apartments with ground floor for uses within A3 and D2	Mowbray Park Hotel, Toward Road	The Sunderland Housing Group/Napper Architects	n/k	Approved 2004
	Redevelopment of land to provide mixed-use development of B1 and residential	Land to the North of Silksworth Road, East of Farringdon Row	Sunderland Arc/Sunderland Arc	n/k	Approved 2004
	Conversion of premises for 10 apartments and art gallery/offfice space at ground floor/basement level	Borough Road	BSB Property Management/ Anthony Watson Chartered Architect	n/k	Approved 2004
	Redevelopment of land to provide 6-storey unit of Class A3 units at ground floor and 50 apartments above	Former Bristol Street Motors and Coopers Bar public house, High Street West	Helios Properties Plc/Napper Architects	n/k	Approved 2005
	Demolition/Erection of 5-storey apartment block with workshops to ground floor	3-6 Villiers Street	Topgrove Properties/The Jesmond Group	n/k	Approved 2004
	Erection of 5-storey apartment block to provide 30 apartments and 2 commercial units (Class A3) on ground floor	3-8 Villiers Street	HJ Banks and Co Ltd	n/k	Approved 2005
Manufacturing	Rivergreen Industry Centre, 3 Manufacturing Units (units 5,7 & 8)	East Way, Pallion	n/k	n/k	Completed 2005
	Rivergreen Industry Centre, 3 Manufacturing Units (units 6a,4b & 4c) converted	East Way, Pallion	n/k	n/k	Converted 2005
Housing	New build apartment block (58 flats and 3 maisonettes)	High Street East	Mandale Commercial Ltd/ Elder Lester Garland McGregor	n/k	Approved 2004
	Office to apartment conversion (14 apartments)	Foyle Street and Borough Road	Sunderland Housing Group/Anthony Watson RIBA	n/k	Approved 2004
	Five additional duplex apartments to basement and ground floors	Former sorting office, West Sunniside	Sunderland Housing Group/ID Partnership Northern	n/k	Approved 2004
	Conversion of existing office space to provide 16, 1,2 and 3-bedroomed apartments	John Street	Sunderland Housing Group/ID Partnership Northern	n/k	Approved 2004

Table 11.2 Continued

	River View apartment block (16 apartments)	Low Street	n/k	n/k	Completed 2004
	4 Houses	Palermo Street	n/k	n/k	Completed 2004
	Bonners Raff, 62 loft conversions	Chandlers Road			Converted 2004
	The Athenaeum, 6 apartment conversions	Fawcett Street			Converted 2004
	Maritime Building, 5 flat conversions	Saint Thomas Street	n/k	n/k	Converted 2005
	1 House and 2 flat conversions	Norfolk Street	n/k	n/k	Converted 2004
	Dunn House, 2 flat conversions	North Bridge Street	n/k	n/k	Converted 2005
	1 converted ground floor flat	Tavistock Place	n/k	n/k	Converted 2004
Source: Planning Department Information (provided March 2006)					

Table 11.3: Developments in Central Gateshead Growth Pole (January 2004 to March 2006)					
Type	**Development type**	**Location**	**Developer**	**Size (ha/m2)**	**Status**
Retail/ leisure	Hotel (Gateshead Hilton), Land at Bottle Bank	Bottle Bank	Collingwood Developments	2.1 hectares	Completed
	Music Centre, Land at Oakwellgate	The Sage Gateshead, St Marys Square	Gateshead Council	2.4 hectares	Completed
	Regeneration Scheme, Gateshead Shopping Centre (demolition of existing centre, car park and supermarket to create new, 2-level, mixed-use centre	Gateshead Shopping Centre, Trinity Square	n/k	n/k	Pending consideration
	Erection of single-storey extension to car dealership	Vauxhall Dealership, Park Road	n/k	n/k	Approved 2004
	Erection of 2-storey indoor athletics training facility	Gateshead Stadium, Neilson Road	n/k	n/k	Approved 2004
	Construction of new artifical/grass pitches and athletics field on reclaimed site	Gateshead Stadium, Neilson Road	n/k	n/k	Approved 2005
	Erection of 5 steel screens to viaduct butresses for a series of temporary artworks	Railway Viaduct Arches, Hymers Court	n/k	n/k	Approved 2004
	Construction of 60m high observation wheel	Southwest corner of Mill Road Car Park	n/k	n/k	Approved 2005
	Change of use from sales/storage to motor vehicle repair centre & Sales area	Eric Kirham Flooring, Coulthards Lane	n/k	n/k	Approved 2005
	Change of use from petrol station to motor vehicle display & sales shop	Former Jet Service Station, Askew Road	n/k	n/k	Approved 2005
	Temporary change of use of land to **2 car parks**, permanent construction of a public square	Land East of The Sage	n/k	n/k	Approved 2004
	Construction of a piazza and erection of artist-designed glass archway	Land adj to Pipewellgate and High Level Bridge	n/k	n/k	Approved 2006
	Conversion of industrial/storage premises to restaurant with training/seminar room on first floor	BSL Lts, Kent House, Church Street	n/k	n/k	Approved 2006
	Relocation of workshop to bodyshop and creation of showroom area	Reg Vardy Ltd, Priory Garage, Park Road	n/k	n/k	Approved 2006
Mixed-use	Erection of hotel/office block on land to east of former Kelvin Works site	Baltic Place, South Shore Road	n/k	n/k	Approved 2004
	Erection of 6-storey development comprising café/bar, offices and 16 flats	Vacant building adjacent to Wine Warehouse, Mill Road	n/k	n/k	Approved 2004
	Erection of 1 9-storey office building, 1 6-storey office building & 1 office or hotel building. **Renovation of former railway offices** for office, retail or restaurant/bar use	Derelict land/Buildings and Former station hotel, Greenesfield Loco shops	n/k	n/k	Approved 2005
	Conservation area consent for demolition of existing buildings. Redevelopment of site with mixed-use development comprising offices, entertainment and 84 two-bedroom apartments	Brett Oils Ltd, Pipewellgate	n/k	Offices (2325m2) Leisure uses (698m2)	Pending decision
	Change of use of premises to mixed-use with class A1 retail unit, new shop front & storage	Vacant factory, former Hydraulic Industrial, Saltmeadows Road	n/k	n/k	Approved 2006

Table 11.3 Continued

	Erection of 3-storey/part 5-storey **Design Centre** for the North comprising offices (SMEs), conference rooms, restaurant, exhibition gallery, meeting rooms, design studios and 3D digital design facility	Former Sentinel Building/Knowledge Central Baltic Business Park, Land bounded by Hawks Rd, Park Lane & Albany Road	n/k	n/k	Pending decision
Office	Mulgrave Terrace, 44 Office Units	International Business Centre, Mulgrave Terrace	Gateshead Council	0.26 hectares	Completed
	Erection of two 9-storey office blocks and car park	Former Kelvin Works Site, South Shore Road	n/k	n/k	Ammended application approved 2005
	Extension to existing unit for additional office space	Discount Desks & Chairs Ltd, Saltmeadows Road	n/k	n/k	Approved 2004
Office-Continued	Erection of first-floor extension above existing showroom/office	Armourpost Ltd, Saltmeadows Road	n/k	n/k	Approved 2004
	Business park (uses B1 & B2) and ancillary uses (C1, A1-3, D1)	Vacant site (Site 1), Baltic Business Park, Coulthards Lane, Saltmeadows	n/k	n/k	Approved 2004
	Conversion of 7 arches from storage to commercial uses (A1-5, B1 & D1) including mezzanine floor and new frontages	Oakwellgate Arches, Oakwellgate	n/k	n/k	Approved 2005
	Baltic Business Park, erection of 3 5-storey office blocks	Baltic Business Park, Plots A,B & C	n/k	n/k	Approved 2005
Manufacturing	Vehicle Workshop Block	Park Road, Old Ford	n/k	n/k	Approved 2004
	Extension of reclamation works	Felling Riverside	n/k	n/k	Approved 2004
	Erection of sewage pumping station	Saltmeadows Sewage Pumping, South Shore Road	n/k	n/k	Approved 2004
	Approval of Reserved Matters relating to the erection of 6 trade warehouse units (B8)	Derelict Land adjacent to Greenesfield Works, Askew Road	n/k	n/k	Approved 2004
	Erection of 11 single storey industrial units in 2 blocks (classes B1, B2 & B8)	Land to West of junction of Saltmeadows and Neilson Road	n/k	n/k	Approved 2005
	Erection of warehouse with trade counter & car park	Builder Center, Stadium Road	n/k	n/k	Approved 2005
Housing	**Baltic Quays** (92 new-build apartments)	Baltic Quay	Byrant Homes	1.77 ha	Completed
	Half Moon Lane (108 apartments)	Curzon Place	Adamson Developments	0.74 ha	Started
	Greensfield Engine Works (194 apartments)	Worsdell Drive	Bellway	4.94 ha	Started
	St James Village (175 apartments & family houses)	Redgrave Close	Persimmon Homes	21.1 ha	Started
	Former St Wilfreds School Site, Sheltered housing for the elderly (41)	Marigold Court	Housing 21	0.76 ha	Completed

Table 11.3 Continued

	Erection of 11 dwellinghouses and 40 flats in five 4-storey blocks	St James Village, St James Road	Persimmon Homes	n/k	Approved 2004
	Erection of 67 dwellinghouse and flats and 63 sheltered flats	St James Village, St James Road	Persimmon Homes	n/k	Approved 2005
	St James Village extension (17 housing bugalows for elderly)	Marigold Avenue	Housing 21	0.86 ha	Completed
	Erection of 4-5 storey block of flats with car parking	Block 6, Former Greenesfield Railway works	n/k	n/k	Approved 2004
	Erection of 4-5 storey block to provide **96 flats**	Derelict land, former **Greenesfield** Engineering Depot	n/k	n/k	Approved 2005
	Erection of 21 apartments within 4-storey replacement tannery building	Former tannery building, Curzon Place	n/k	n/k	Approved 2005
	Development of land for residential purposes	Heaton Paper Co Ltd, Eldon Street	n/k	0.4 ha	Approved 2005
	Erection of 85 apartments in two 5-storey blocks with car parking	Vacant site, site of former hotel extension, Riverside Park, Green Lane	n/k	n/k	Approved 2006
Other	Erection of community church & car parking	Site of St Wilfreds School, Carville Street	n/k	n/k	Approved 2004
	Erection of 3-4 storey **college building for Gateshead College**. Further application for a business park with B1 & B2 classes and C1, A1-3 & D1 uses	Baltic Business Park (Plot 2C)	n/k	n/k	App for college approved 2005. App for business park approved 2006
	Erection of multi-storey car park to serve proposed college	Baltic Business Park (Plot 2C)	n/k	n/k	Approved 2005
	Creation of car park	Railtrack building, Mirk Lane	n/k	n/k	Approved 2005
	Demolition of existing building, creation of temporary car park or grassed area	Talk of the Tyne Coffee Shop, Charles Street	n/k	n/k	Approved 2005
Source: Planning Department Information (provided March 2006)					

Table 11.4: Developments in Tyne Gateway Growth Pole (Jan 2004 to Dec 2005)

Type	Development type	Location	Developer	Size (ha/m2)	Status
Retail/leisure	Shop and Café	East Smithy Street, South Shields	n/k	0.01 ha	Completed 2005
	Shop Units	Waterloo Square, South Shields	n/k	0.55 ha	Completed 2005
	Supermarket and Restaurant	Coronation Street, South Shields	n/k	1.6 ha	Permission granted 2003
	Redevelopment of land for shops	Adjacent to Wouldhave, Mile End Road, South Shields	n/k	0.12 ha	Permission granted 2003
Mixed-use	Regeneration of former docks site for residential development with associated retail, food and drink and infrastrucutre works	Land/Buildings at Smiths Dock, Dock Road Industrial Estate, North Shields	n/k	1,700 metres	Permission granted 2001 (uncompleted)
	Change of use from vacant smoke houses to offices, workshops, storage, meeting rooms and exhibition areas	Units 7a, 7b, 8a, 8b and 9, Cliffords Fort, North Shields	n/k	500 m2	Permission granted 2005 (uncompleted)
Office	Offices	Portberry Street, South Shields	n/k	0.03 ha	Completed 2004
	4 storey office building	Multi Storey Car Park, South Shields	n/k	0.2 ha	Permission granted 2005
	Offices	Plots A & B, Market Dock, South Shields	n/k	0.9 ha	Permission granted 2005
	Construction of new training facility	Corporation Yard, Hudson Street, North Shields	n/k	0.22 ha/ 4586m	Permission granted 2003 (uncompleted)
Manufacturing	Industrial Units	Portberry Street, South Shields	n/k	0.12 ha	Completed 2004
	2 storey workshop/storage building	Wapping Street, South Shields	n/k	0.04 ha	Permsision granted 2003
	Construction of 2 industrial units (2-storey)	Northumberland St, North Shields	n/k	Under 0.1 ha	Permission granted 2002. Completed by March 2005
	Erection of new food processing units	Land at former Kemkleen Works, Tanners Bank, North Shields	n/k	n/k	Permission granted 2004 (uncompleted)
	Constructon of warehouse	Saw Mill, Northumberland Street, North Shields	n/k	1,124 m	Permission granted 2002, completed by March 2005
	Refurbishment of former fishmongers for craft workshop facilities	Vita House, Fish Quay, North Shields	n/k	n/k	Permission granted 2004, completed by March 2005
	Conversion of ground floor of nos. 15,18 & 21 to craft workshop	Union Quay, North Shields	n/k	over 500m2	Permission granted 2003, completed by March 2005
Housing	Market Dock (152 dwellings)	River Drive, South Shields	n/k	4.30 ha	Completed 2004- 05
	Frost Mews (60 dwellings)	Victoria Road, South Shields	n/k	1.13 ha	Completed 2005 (25 dwellings) Under construction (29)
	Charlotte Street (24 dwellings)	Charlotte Street, South Shields	n/k	0.21 ha	Permission granted 2005
	Ferry Approach (23 dwellings)	South Shields	n/k	0.06 ha	Completed 2004- 05
	Arbeia House (8 dwellings)	Greens Place, South Shields	n/k	0.06 ha	Completed 2004- 05
	Coastline Bus Depot (49 dwellings)	Lady's Walk, South Shields	n/k	0.94 ha	Permission granted 2005

Source: Planning Department Information

Table 11.5: Developments in the A19 Corridor Growth Pole (Jan 2004 to Dec 2005)

Type	Development type	Location	Developer	Size (ha/m)	Status
Retail/ leisure	Car showroom (replacement)	Ian Forster Specialist Cars Newcastle Road, West Bolden	n/k	0.31 ha	Completed 2004
	2 motor trading facilities	Land West of Bittern Close, Silverlink Industrial Park, Wallsend	n/k	n/k	Permission granted 2004 (uncompleted)
	Motor trading facility	Land sout of Bittern Close, Silverlink Industrial Park, Wallsend	n/k	n/k	Permission granted 2003 (Completed before Mar.05)
	Extension to existing vehicle valeting facility	Priory Cars, Bittern Close, Silverlink Industrial Park, Wallsend	n/k	n/k	Permission granted 2003 (Completed before Mar.05)
	Extension of trade centre development	Land adjacent to Third Avenue, Tyne Tunnel Trading Estate, North Shields	n/k	2230m	Permission granted 2004 (uncompleted)
	Demolition and reconstruction of existing showroom and offices	Patterson Ford, Algernon Industrial Estate, Shiremoor	n/k	996m	Permission granted 2005 (Completed before Mar.05)
	Erection of 127 bedroom hotel with ancillary leisure and food & drink facilities	Land South of the Pond and west of the Silverlink North, Cobalt Business Park, Wallsend	n/k	9664m (2.09 ha)	Permission granted 2001 (Completed by Mar.2005)
	Erection of purpose built health and leisure club	Land West of Bittern Close, Silverlink Industrial Park, Wallsend	n/k	2,314m (0.67ha)	Permission granted 2001 (Uncompleted)
	Erection of leisure club with link to existing hotel	Menzies Hotel, Coast Road, Wallsend	n/k	997m	Permission granted 2001 (Completed by Mar.2005)
Office	Quadrus, Office Block,	Woodstock Way, Boldon Business Park, Boldon Colliery	n/k	0.58 ha	Completed 2005
	2 Office blocks	Rolling Mill Road, Jarrow	n/k	1.68 ha	Commenced 2004
	Office block	VA Tech Builsing, Koppers Way, Hebburn	n/k	1.15 ha	Commenced 2005
	Office block	Land adjacent Atlantic House, Baltic House, Tyne Dock East Side, South Shields	n/k	0.1 ha	Permission granted 2005
	3 Office buildings	South of Witney Way, Boldon Colliery	n/k	0.7 ha	Permission granted 2005
	16 2-storey office units	Monkton Business Park South, Hebburn	n/k	1.5 ha	Permission granted 2005
	2 storey unit comprising office/storage	Plaster Piece, Shaftesbury Avenue, South Shields	n/k	0.15 ha	Permission granted 2003
	Erection of office building	Land east of A19, west of Station Road, Backworth, North Tyneside	n/k	33,200 metres	Permission granted 2004 (uncompleted)
	Erection of new offices and workshop	Land east of A19, west of Station Road, Backworth Business Park, North Tyneside	n/k	n/k	Permission granted 2004 (uncompleted)
	New single storey healthcare building and 2-storey office building	Plot 17, Cobalt Business Park, Wallsend, North Tyneside	n/k	1061m	Permission granted 2004 (Completed before Mar.05)
Manufacturing / Industrial	Industrial Unit	Tynepoint Industrial Estate, Shaftesbury Avenue, South Shields	n/k	0.07 ha	Completed 2004

Table 11.5 Continued

	Warehouse	Merchant House, Warehouse 21 Tyne Dock West Side, South Shields	n/k	2.3 ha	Completed 2004
	Industrial Unit	Hitachi, Unit 5 Monkton Business Park North, Hebburn	n/k	2.65 ha	Completed 2004
	Warehouses	Tyne Dock East Side, South Shields	n/k	2.0 ha	Completed 2005
	Industrial Unit	Bede Trade Park, Abbotsway, Jarrow	n/k	0.50 ha	Completed 2005
	Factory Unit	Throckley Way, Middlefields Industrial Estate, South Shields	n/k	0.4 ha	Completed 2005
	2 Advanced factory units	Monkton Business Park North, Hebburn	n/k	1.1 ha	Commenced 2005
	Business or storage/distribution unit	Tyne Dock East Side, South Shields	n/k	1.1 ha	Permission granted 2005
	Industrial Unit	Land adjacent to Brookland Way, Boldon Business Park	n/k	0.2 ha	Permission granted 2004
	9 units for class B1 use	Brooklands Way/Burford Way, Boldon Business Park	n/k	0.9 ha	Permission granted 2005
Manufacturing -Continued	Factory unit incorporating offices	Simonside East Industrial Park	n/k	1 ha	Permission granted 2005
	Re-cycling village	Middlefields Industrial Estate, South Shields	n/k	0.76 ha	Permission granted 2005
	Automative building for manufacturing, paint spraying and retail	Land at Newcastle Road, South Shields	n/k	0.52 ha	Permission granted 2001
	Construction of new industrial unit	Elm Road, West Chirton Industrial Estate North, North Shields	n/k	2340m	Permission granted 2000 (Completed before Mar. 05)
	Three buildings (2 industrial with office space, one warehouse divided into 10 units)	Land parcels west of First Avenue and north of Second Avenue, Tyne Tunnel Trading Estate, North Shields	n/k	4464m	Permission granted 2003 (Completed before Mar.05)
	Construction of 2 warehouses and office units	Hadrian Yard Central, Potter Street, Wallsend, North Tyneside	n/k	7200m	Permission granted 2000 (Uncompleted)
	New central distribution warehouse and offices	Land parcels west of First Avenue and north of Second Avenue, Tyne Tunnel Trading Estate, North Shields	n/k	1605m	Permission granted 2004 (Completed before Mar.05)
	General Industrial Units	Land east of the Silverlink North Cobalt Business Park, Wallsend	n/k	1.93 ha	Permission granted 2000 (Uncompleted)
	Business Park incorporating industrial uses (B2), distribution (B8), offices, (B1), car showroom and trade centre use	Land adjacent to Third Avenue Tyne Tunnel Trading Estate, North Shields	n/k	73154m	Permission granted 2002 (Uncompleted)
	Construction of PDI centre and bodyshop	Chirton Industrial Estate North, North Shields	n/k	1407m	Permission granted 2004 (uncompleted)
	Extension to factory	Bridon Ropes, Ropery Lane, Wallsend	n/k	628m	Permission granted 2003 (Uncompleted)
	Construction of tyre and exhaust centre	Land south of Middle Engine Lane, Wallsend	n/k	n/k	Permission granted 2003 (Completed before Mar.05)

Table 11.5 Continued

	Erection of storage building, yard and drainage	Land adjacent to Ecclestone Close, Backworth Business Park, Backworth	n/k	n/k	Permission granted 2003 (Uncompleted)
	Erection of 2 vehicle service and repair buildings	Chirton Industrial Estate North, North Shields	n/k	1,100m	Permission granted 2003 (Uncompleted)
Housing	Bede Burn Road (4 Dwellings)	Jarrow, South Tyneside	n/k	0.17 ha	Completed 2004 (2 dwellings) Not started (2 dwellings)
	Cedar Drive/Lavendar Grove (134 dwellings)	Jarrow, South Tyneside	n/k	4.24 ha	Completed pre-2004 (107) Completed 2004-05 (27)
	North Street/Ormond Street (164 dwellings)	Jarrow, South Tyneside	n/k	3.6 ha	Completed 2005 (17) Under construction (13) Not started (134)
	Steve Watson Coachworks (10 dwellings)	Boldon Colliery, South Tyneside	n/k	0.15 ha	Permission granted 2004
	Dunstanburgh Court (14 dwellings)	Lynton Avenue, Jarrow, South Tyneside	n/k	0.3 ha	Completed 2004-05
	Ascot Court (28 dwellings)	West Boldon, South Tyneside	n/k	0.39 ha	Completed 2004-05
	Boldon Comprehensive (90 dwellings)	Boldon Colliery, South Tyneside	n/k	2.57 ha	Permission granted 2004
	Chillingham Arms (8 dwellings)	Chillingham Terrace, Jarrow, South Tyneside	n/k	0.16 ha	Permission granted 2005
	Glebe Farm Court (7 dwellings)	Newcastle Road, West Boldon, South Tyneside	n/k	0.20 ha	Completed 2005
	Wellington Place (8 dwellings)	Bede's Ale House, Cloister Walk, Jarrow, South Tyneside	n/k	0.10 ha	Under construction
	Dunelm House (29 dwellings)	Henley Way, Boldon Colliery, South Tyneside	n/k	0.5 ha	Permission granted 2005
Other	Construction of slipway and siting of portacabin	C & J Marine Services, Stephenson Street, Wallsend	n/k	0.4 ha	Permission granted 2004 (uncompleted)
Source: Planning Department Information (provided March 2006)					

INDICATOR 12: CREATIVE AND DIGITAL INDUSTRIES

One of the key themes of the TWES is to **capitalise on creativity and culture**. This includes building an innovative business base, focusing on a number of key sectors and clusters. Two sectors which have been identified as having significance and potential for productivity growth include the creative industries and the digital & telecommunications sector.

12.1 Creative Industries

The Department for Culture, Media and Sport (DCMS) defines creative industries as those which have their origin in individual creativity, skill and talent and which have a potential for wealth and job creation through the generation and exploitation of intellectual property[44]. The creative sector is defined by DCMS as including 13 main groups:

- Advertising
- Architecture
- The art and antiques market
- Crafts
- Design
- Designer fashion
- Film and video
- Interactive leisure software
- Music
- The performing arts
- Publishing
- Software and Computer games
- Television and Radio

The DCMS Evidence Toolkit (DET)[45] provides information on defining and accessing data on the broader cultural sector. Though the DET does provide a definition of ‘creative industries’ and outlines the Standard Industrial Classifications which can be used to access data on this, it does so using the more detailed 5-digit SIC 2003 codes. Estimates of the total number of employees in the creative industry sector from 2003 can be obtained using SIC 2003 codes from national statistics [namely the Annual Business Inquiry (ABI)] but only at a 4-digit level[46].

Obtaining sub-regional level data on creative industries is problematic due to the small-scale nature (in some cases) of the firms involved and the fact that sole traders and micro-businesses are often not VAT-registered. ABI data indicates that the number of employees in the ‘creative industries’[47] in Tyne & Wear in 2003 was 11,200 compared to a total of 19,100 in the North East. Tyne & Wear therefore has over 58% of the region’s creative industry employees. In 2004, the number of employees in Tyne & Wear rose to 11,500. This was 59% of the North East regional total (19,400).

In ‘Creative Industries Economic Estimates Statistical Bulletin’ (October, 2005) DCMS has drawn up a list for mapping creative industries to official data classifications (namely 2 and 3-digit SIC codes)[48]. Using this alternative definition[49] to extract data from the ABI, the number of employees involved in creative industries in Tyne & Wear in 2003 is 19,100 out of a North East total of 37,900. For 2004, the number of employees in Tyne & Wear rose to 20,200 out of a regional total of 38,900.

---

44 *Source: DCMS website, http://www.culture.dov.uk/creative_industries/*

45 *DCMS Evidence Toolkit available at http://www.culture.gov.uk/global/research/det*

46 *From 2003, ABI data are based on the 2003 SIC. This is similar to the 1992 SIC, however comparisons across 2002/2003 may give rise to discontinuities.*

47 *For consistency, the definition of creative industries used here is the same as that adopted in the 2004 Baseline Report. This used 4-digit SIC codes to identify a range of Cluster Groups as defined in TRENDS Business Research report ‘Tyne & Wear Business Development’ (June, 2004). See Appendix A4 for a full list of the 4-digit SIC codes used to define the ‘creative’ cluster.*

48 *See Appendix A5 for the list of creative industry sectors and corresponding SIC codes used in this definition*

49 *Definition excludes data for 5-digit SIC codes and non-specified codes on clothing manufacture*

There remains only limited research on the nature and scale of creative industries at a sub-regional level[50]. Research is more widely available at a regional level. In the North East, two major pieces of research include the 'Culture Cluster Mapping and Analysis Study' (2003) conducted by CURDS on behalf of ONE. More recently, a report by Bowman Solutions for the Northern Cultural Skills Partnership entitled 'Cultural and Creative Industries in the North East, Labour Market Skills and Information Mapping' was published in January, 2005.

An addendum to the Bowman report listed above entitled 'Creative and Cultural Industries in the North East, Labour Market Statistics' (February, 2005) does provide sub-regional data on the size and characteristics of the creative *and* cultural sector in the North East. Drawing upon 2003 ABI data, the report indicates that over 30,000 people are employed in the creative and cultural industries in Tyne & Wear (out of regional total of almost 59,000)[51].

The report also draws upon Interdepartmental Business Register (IBDR) data from March 2004[52]. This shows Tyne & Wear to have 2,150 firms employing a minimum of 17,470 employees. The minimum turnover for cultural and creative industries in Tyne & Wear is indicated to be £1,605.44m, out of a regional minimum total of £2,625.115m.

The 'State of the English Cities' report (ODPM, 2006) makes reference to the percentage change of employees in creative industries between 1998 and 2001. Sunderland performs well, falling within the second highest threshold, and the same one containing the England average (0.76 to 1.51%). Newcastle 'Met' (Tyneside) performs more poorly, falling within the second from bottom threshold (-0.01 to -0.30%).

Looking ahead, Trends Business Research (TBR) has been commissioned by the Cultural & Creative Skills Council to conduct an assessment of the scale and economic impact of the creative and cultural industries at a UK and regional level. This is due for completion in spring 2006.

12.2 Digital Industries

Obtaining sub-regional level data on the scale of digital industries is problematic due to the small-scale nature (in some cases) of the firms involved. Using ABI data[53], the number of employees engaged in digital industries in Tyne & Wear in 2003 was 15,000, out of a regional total of 28,800. Tyne & Wear therefore has 47% of all North East employees in this sector. SIC codes with major employees in Tyne & Wear included 'telecommunications' (7,000 employees, or 46% of the Tyne & Wear total) and 'other software consultancy and supply' (3,000 employees, or 20% of the Tyne & Wear total).

In 2004, the number of those employed in digital industries in Tyne & Wear fell by 2,363 from 15,069 to 12,706. Similarly, in the North East, the regional total of employees also fell from 28,843 to 20,500. While employment in 'other software consultancy and supply' continued to rise in Tyne & Wear, the

50 *In the North East, sub-regional research in this field includes the 'Tees Valley Cultural Business Support Study' and a report by Scottish Cultural Enterprise entitled 'Cultural and Creative Industries Mapping Exercise-County Durham' (June 2004) conducted on behalf of Durham County Council*

51 *2003 ABI data is provided (using 4-digit SIC level) for five sub-sectors 'Advertising', 'Cultural Heritage', 'Crafts, performing, visual and literary arts, music', 'Design', and 'Publishing'.*

52 *IBDR gives data for VAT-based enterprises. The universe of this survey is therefore considerably smaller than that of the ABI.*

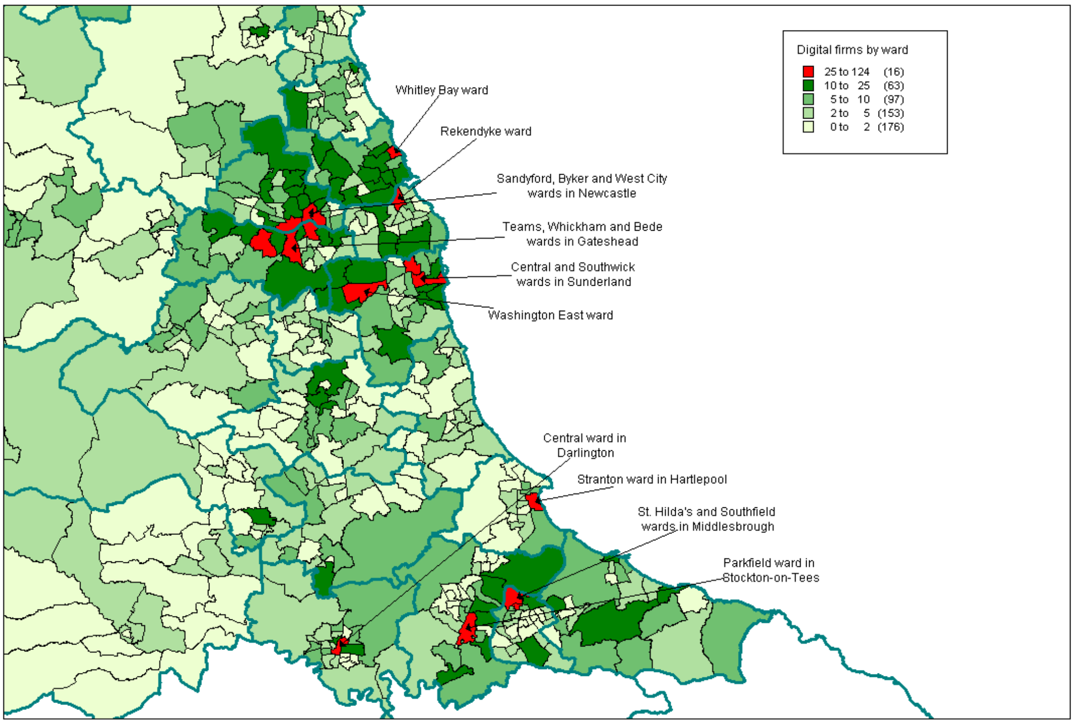
53 *For consistency, the definition of digital industries used here is the same as that adopted in the 2004 Baseline Report. This used 4-digit SIC codes to identify a range of Cluster Groups as defined in TRENDS Business Research report 'Tyne & Wear Business Development' (June, 2004). See Appendix A4 for a full list of the 4-digit SIC codes used to define the 'digital' cluster.*

number of employees in ‘telecommunications’ fell significantly (by over 40%), from 7,000 in 2003 to 4,200 in 2004[54].

‘Codeworks’ is the regional centre of excellence for digital industry in the North East. ‘Codeworks Connect’ is the trade association for digital media and technology industries in the region including software, web design and games development. Codeworks Connect has 223 members in the North East, of which, 172 (77%) are located in Tyne & Wear.

Codeworks has constructed a map showing ‘digital hotspots’ in the North East (see figure 12.1 below)

Figure 12.1: North East Digital Firm Stock



Source: Codeworks/Trends Business Research (2004/05)

This shows that a substantial proportion (11) of the 16 ‘hotspots’ identified are located in Tyne & Wear. Those of particular significance include those with between 25 and 124 digital firms per ward. In Tyne & Wear this includes the wards of:

- Whitley Bay in North Tyneside
- Rekendyke in South Tyneside
- Sandyford, Byker and West City in Newcastle
- Teams, Whickham and Bede in Gateshead
- Central and Southwick in Sunderland
- Washington East

Late News: The first findings of the UK Innovation Survey 2005 have been published[55]. The DTI survey, which covers the 3-year period 2002-04, found that 57% of enterprises in the UK were active

[54] *This reported big fall could be partly or mainly a data error in ABI. TWRI job loss database shows no losses in ‘telecommunications’ (recorded by 2-digit SIC code ‘79’) in Tyne & Wear in 2004 (as reported in the press).*

in developing or implementing innovations. In the North East, the proportion of innovation-active businesses was also found to be 57%.

INDICATOR 13: WORKLESSNESS

Economic inclusion is a core value of the TWES. This includes raising the aspirations of young and excluded groups for learning and work and developing new programmes which address barriers to participation and support re-entry to the labour market.

Worklessness is defined [widely] by the Social Exclusion Unit[56] as ‘people who are unemployed and people who are economically inactive’. Worklessness therefore describes detachment from the formal labour market. Defining and measuring worklessness is a problematic process, with a number of caveats which need to be considered (for example, when considering the issue of unemployment and economic inactivity-see Appendix A6).

There is limited existing research on worklessness at a sub-regional level[57]. Data on workless households, those claiming incapacity benefit, those who are economically inactive and benefits claimants have been used to provide an indication of worklessness in Tyne & Wear.

13.1 Workless Households[58]

The North East has the highest regional level of workless households in the UK at 21.8% in 2005 (this excludes the figure for inner London at 26.5%). The table below shows that over a 10 year monitoring period, the proportion of workless households in England has fallen consistently (aside from a small rise in 2002), but in the North East, only fallen consistently since 2002[59].

---

55 *See ‘Economic Trends’ published by ONS (March 2006, Issue no. 628)*

56 *ODPM Report ‘Jobs and Enterprise in Deprived Areas’ (September 2004, p.7)*

57 *For an overview of worklessness in the North East see the ERS Report (in conjunction with Northumbria University and Durham University Business School for ONE ‘Effective Interventions to Tackle Worklessness-Review of Evidence’ (September 2005).*

58 *A ‘workless household’ is a household that includes at least one person of working age where no-one aged 16 or over is in employment. A ‘working-age household’ is a household that includes at least one person of working age, that is a woman aged 16-59 or a man aged 16-64. A ‘working household’ is a working-age household where all members aged 16 or over are in employment.*

59 *Caution: Sampling variability will be relatively large for the NE. LFS household datasets are available for spring and autumn quarters only.*

Table 13.1: Working-age households by combined economic activity status of household (%), 1995-2005

	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
North East											
Working households	46.1	49.0	49.7	48.6	49.8	52.4	50.7	51.5	53.5	52.7	51.3
Households containing both working and workless members	29.1	27.8	27.0	27.5	26.1	24.7	25.4	24.1	23.4	25.1	26.9
Workless households	24.7	23.2	23.4	23.9	24.1	23.0	23.8	24.3	23.1	22.2	21.8
England											
Working households	54.8	55.7	56.7	57.7	58.5	58.7	58.8	58.9	58.7	58.4	58.4
Households containing both working and workless members	27.0	26.3	26.2	25.8	25.4	25.4	25.3	25.2	25.6	26.1	26.0
Workless households	18.2	18.0	17.0	16.6	16.1	15.9	15.9	16.0	15.7	15.5	15.7

Note: Figures not seasonally adjusted, taken for Autumn period (Sept. to Nov.). Figures have not been adjusted to include estimates for households with unknown economic activity. Percentages are based on households with known economic activity status. Data based on statistical samples, estimates are subject to sampling variability.

Source: ONS Labour Force Survey household datasets

The proportion of workless households in the North East fell 2.9 percentage points from 24.7% in 1995 to 21.8% in 2005. This fall was greater than that recorded in England (2.5pp between 1995 and 2005). Despite this, the proportion of workless households in the North East remains significantly higher than that in England (6.1pp higher in 2005).

In 2004, rates of worklessness (for all household types) in Tyne & Wear were 25%, exceeding the North East average by 2 percentage points[60]. Rates of worklessness among one person households were 41% in Tyne & Wear, compared to 26% in England. Also of relative significance were rates of worklessness among households with dependent children, particularly couples with dependent children. This was recorded at 11% in Tyne & Wear, compared to only 5% in England.

13.2 Economic Inactivity

Economic inactivity as a proportion of the total population of working age in Tyne & Wear has fallen 1.9 percentage points over the monitoring period, compared to a 0.5 percentage point increase over the same 10-year period in England (see table 13.2 below). Despite this, inactivity rates in Tyne & Wear remain considerably higher than the national average. In 2004-05, there was a 4.1 percentage point gap between the economic inactivity rate of Tyne & Wear (25.7%) and that of England (21.6%).

[60] *Data taken Labour Force Survey household dataset 'Rates of worklessness among households by region and type of household, United Kingdom, spring 2004, not seasonally adjusted'. Workless households expressed as a percentage of all working-age households.*

Table 13.2: Economic Inactivity Rates by gender, 1995-2005

	1995-96	1996-96	1997-98	1998-99	1999-2000	2000-01	2001-02	2002-03	2003-04	2004-05
Tyne & Wear										
% of PWA	27.6	28.2	26.8	28.1	27.6	26.7	26.6	25.8	25.8	25.7
% of Males PWA	20.8	21.4	21.0	22.2	22.9	21.8	23.6	23.4	22.0	22.1
% of Female PWA	35.0	35.4	32.9	34.4	32.6	31.8	29.6	28.4	29.8	29.5
England										
% of PWA	21.1	21.0	21.1	20.8	20.6	20.7	21.0	21.0	21.1	21.6
% of Males PWA	14.3	14.6	14.8	14.8	14.8	15.1	15.4	15.6	15.7	16.4
% of Female PWA	28.4	27.8	27.7	27.2	26.8	26.6	26.9	26.6	26.8	27.2

Annual data from March 1995 to February 2004 taken from the Labour Force Survey.

Annual data for 2004-05 are taken from the new Annual Population Survey for the period April 2004 to March 2005

Source: LFS/APS on NOMISweb

Male economic inactivity in Tyne & Wear increased 1.3 pp between 1995 and 2005 compared to a 2.1pp increase in England over the same period. In contrast the female economic inactivity rate fell 5.5pp in Tyne & Wear between 1995 and 2005, compared to only a 1.2pp fall in England.

In 2004-05, the gap between the female economic inactivity rate in Tyne & Wear and England was only 2.3pp, compared to a 5.7pp difference between the male economic inactivity rates in Tyne & Wear and England.

The new APS data series for 2004-05 provides more detailed information on economic inactivity. In Tyne & Wear, 24.0% of those of working age who are economically inactive ‘want a job’ compared to 76.0% who ‘do not want a job’. The proportion of those of working age who are economically inactive and who ‘want a job but are not looking’ are broken down into five categories. In Tyne & Wear this includes discouraged workers (0.3%), long-term sick (8.3%), a person looking after family/home (5.7%), students (2.3%) and other (4.7%). [Percentages are of PWA (People of Working Age)]

13.3 Benefit Claimants[61]

The number of benefit claimants in Tyne & Wear has fallen just over 30% [down almost 55,000] from 180,700 in 1995 to 125,900 in 2005. This compares to a 24% fall in benefit claimants in England from 5,224,300 in 1995 to 3,968,800 in 2005 (see Table 13.3 below).

[61] ‘Benefits Claimants’ covers IS, JSA, IB, SDA and DLA.

Table 13.3: Benefit Claimants by gender, 1995-2005

	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
Tyne & Wear											
PWA	180,700	174,100	159,700	149,800	149,300	144,400	142,600	140,500	134,900	127,400	125,900
% of PWA	26.6	25.7	23.7	22.3	22.4	21.7	21.4	21.0	20.1	18.9	
Males PWA	108,000	101,600	92,300	85,200	85,000	81,200	78,500	76,400	72,400	68,600	67,600
% of Males PWA	30.6	28.9	26.4	24.5	24.7	23.7	22.9	22.2	21.0	19.8	
Female PWA	72,700	72,500	67,400	64,500	64,200	63,200	64,100	64,100	62,600	58,800	58,300
% of Female PWA	22.2	22.2	20.7	19.9	19.9	19.6	19.8	19.8	19.2	17.9	
England											
PWA	5,224,300	5,125,100	4,645,500	4,377,500	4,291,200	4,131,100	4,056,300	4,037,700	4,049,800	3,965,300	3,968,800
% of PWA	17.7	17.3	15.6	14.7	14.3	13.7	13.3	13.2	13.1	12.8	
Males PWA	3,013,700	2,913,200	2,557,700	2,369,400	2,304,300	2,185,100	2,120,000	2,097,600	2,093,200	2,035,100	2,045,200
% of Males PWA	19.7	19.0	16.6	15.3	14.8	14.0	13.4	13.2	13.1	12.6	
Female PWA	2,210,500	2,211,900	2,087,800	2,008,100	1,986,800	1,946,000	1,936,300	1,940,100	1,956,600	1,930,100	1,923,700
% of Female PWA	15.5	15.5	14.6	13.9	13.7	13.3	13.2	13.1	13.2	12.9	

Notes: Benefits claimant counts are rounded to the nearest 100 and are aubject to sampling variability. Data relate to a single point in time and provide a snapshot of claims at that point. Data are not seasonally adjusted.

Benefit claimants-working age client group includes benefit claimants aged 16-64 years, on Income Support (IS) only; Jobseekers Allowance (JSA) only; IS and IB; DLA and IB; DLA, IS and IB; Disability Living Allowance (DLA) only; DLA, IS and SDA; DLA and IS; DLA and SDA; IS and SDA; Severe Disablement Allowance (SDA) only; DLA and JSA other combinations. Data includes all durations and all family types.

Benefit claimant count rates expressed as a proportion of the resident population of working age (females 16-59, males 16-64). PWA figures are derived from ONS mid-year estimates for single year age groups. PWA for 1995-2003 figures (revised after LA Population Studies). PWA for 2004 (unrevised)

Source: Department for Work and Pensions on NOMISweb and ONS Population Estimates Unit

Between 1995 and 2004, the percentage of benefit claimants as a proportion of PWA (the population of working age) fell 7.7 percentage points from 26.6% to 18.9%. Male benefit claimants in Tyne & Wear fell 10.8 percentage points from 108,000 (30.6%) to 68,600 (19.8%) compared to a 4.3pp fall in female benefit claimants from 72,700 (22.2%) in 1995 to 58,800 (17.9%) in 2004.

Despite falling at a faster rate, the benefit claimant rate in Tyne & Wear (18.9%) remains significantly higher than that in England (12.8%). In 2004, the benefit claimant rate in Tyne & Wear was 6.1 percentage points higher than the rate recorded nationally.

13.4 Incapacity Benefit Claimants

Incapacity Benefit (IB) is paid to people who have been incapable of work because of sickness or disability for at least four days in a row and who have paid sufficient contributions through their working lives[62]. Examining claimants of this benefit alone rather than in combination with others (e.g. Severe Disablement Allowance[63]) provides a better indication of those experiencing worklessness (in both the long and short-term) and who have (in theory) greater potential of re-entering the labour market, when compared to those claiming SDA for example[64].

The number of Incapacity Benefit claimants in Tyne & Wear fell over 33% from 36,200 in 1995 to 24,100 in 2005. This compares to only a 25% fall in England from 807,800 in 1995 to 608,600 in 2005 (see Table 13.4 below).

[62] Definition of working-age benefits from NOMISweb

[63] IB and SDA claimants are reported together by TWRI in their publication ‘Unemployment Monthly’ published each month

[64] SDA is paid to those unable to work for 28 weeks in a row or more because of illness or disability.

Table 13.4: Incapacity Benefit Claimants by gender, 1995-2005

	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
Tyne & Wear											
PWA	36,200	31,400	28,400	27,600	27,700	27,200	27,400	26,800	25,300	24,200	24,100
% of PWA	5.3	4.6	4.2	4.1	4.1	4.1	4.1	4.0	3.8	3.6	
Males PWA	25,800	21,800	19,400	19,200	19,000	18,500	18,000	17,000	16,200	15,500	14,900
% of Males PWA	7.3	6.2	5.6	5.5	5.5	5.4	5.2	4.9	4.7	4.5	
Female PWA	10,400	9,600	9,000	8,400	8,700	8,800	9,300	9,800	9,100	8,700	9,200
% of Female PWA	3.2	2.9	2.8	2.6	2.7	2.7	2.9	3.0	2.8	2.6	
England											
PWA	807,800	757,800	719,200	704,600	694,300	682,500	683,500	660,800	639,600	634,600	608,600
% of PWA	2.7	2.6	2.4	2.4	2.3	2.3	2.2	2.2	2.1	2.0	
Males PWA	551,500	507,400	471,900	453,900	441,200	426,700	422,700	400,900	384,900	381,200	360,200
% of Males PWA	3.6	3.3	3.1	2.9	2.8	2.7	2.7	2.5	2.4	2.4	
Female PWA	256,300	250,500	247,300	250,700	253,100	255,800	260,800	259,900	254,700	253,400	248,400
% of Female PWA	1.8	1.8	1.7	1.7	1.7	1.8	1.8	1.8	1.7	1.7	

Notes: Benefits claimant counts are rounded to the nearest 100 and are aubject to sampling variability. Data relate to a single point in time and provide a snapshot of claims at that point. Data are not seasonally adjusted.

Benefit claimants-working age client group includes benefit claimants aged 16-64 years, on Incapacity Benefit only. Data includes all durations and all family types. Incapacity Benefit claimant count rates expressed as a proportion of the resident population of working age (females 16-59, males 16-64).

PWA figures are derived from ONS mid-year estimates for single year age groups. PWA for 1995-2003 figures (revised after LA Population Studies). PWA for 2004 (unrevised).

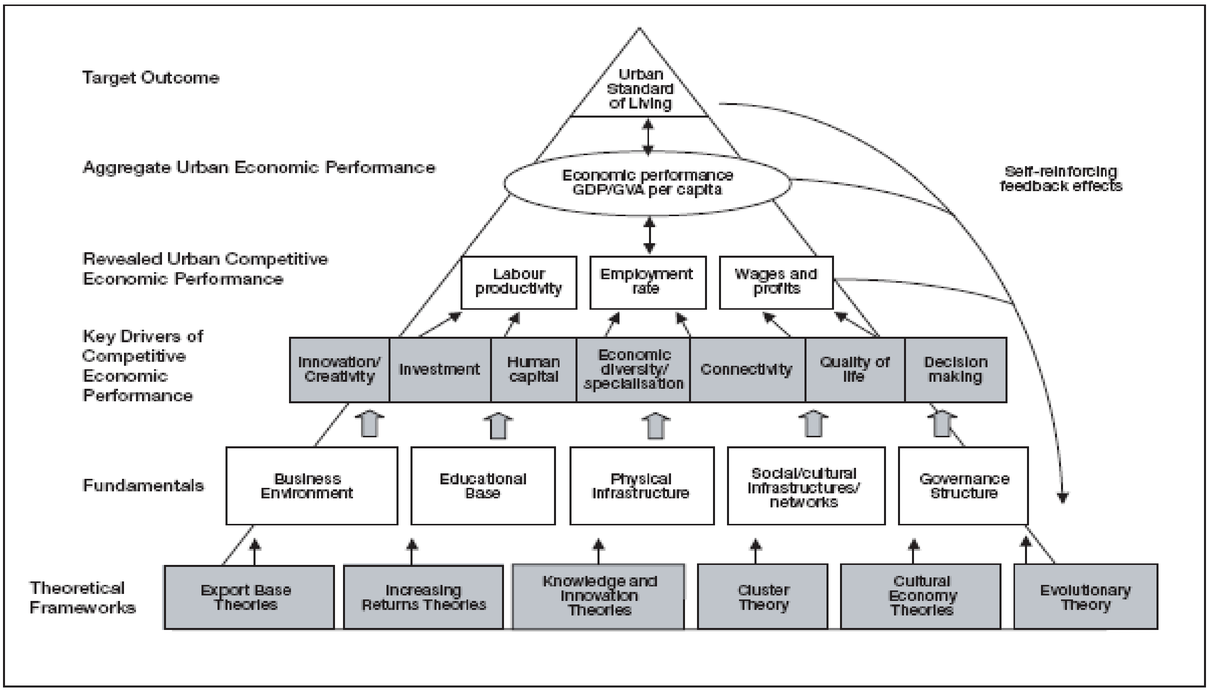
Source: Department for Work and Pensions on NOMISweb and ONS Population Estimates Unit

Between 1995 and 2004, the Incapacity Benefit 'rate' [as % of PWA] in Tyne & Wear fell 1.7 percentage points from 5.3% to 3.6%. Despite this fall, the Incapacity Benefit rate in Tyne & Wear was still 1.6pp higher than the rate in England in 2004.

In Tyne & Wear, the number of male Incapacity Benefit claimants fell from 25,800 in 1995 to 15,500 in 2004. The male Incapacity Benefit rate nearly halved from 7.3% in 1995 to 4.5% in 2004. It still remains higher than the female Incapacity Benefit rate which fell less than 1pp from 3.2% in 1995 to 2.6% in 2004. Unlike the number of male Incapacity Benefit claimants, which has consistently fallen, the number of female IB claimants in Tyne & Wear has fluctuated and in the last year, even increased 5% from 8,700 to 9,200.

APPENDIX

Appendix A1: Conceptualising Urban Competitive Performance



Source: 'State of the English Cities' (ODPM, 2006), Volume 1, p. 67, Figure 4.1

Note
The urban competitive pyramid illustrated above shows that the analysis of urban economic competitiveness consists of several different levels. This Annual Monitoring Report covers a number of the indicators which feature in the first three tiers of the pyramid:

Tier 1
- Economic performance GDP/GVA per capita (see Indicator 1 on GVA)

Tier 2
- Labour Productivity (see TWRI publication 'Manufacturing and Market Services in Tyne & Wear, 1998-2000', which contains data on productivity)
- Employment rate (see Indicator 3 on Employment)
- Wages and Profits (see Indicator 8 on Earnings and TWRI publication 'Manufacturing and Market Services in Tyne & Wear, 1998-2000' for data on Profits)

Tier 3
- Innovation/Creativity (see TWRI publication 'Economic Review-Autumn 2005' for statistics on R&D by region and see Indicator 12 for details of cultural and creative industries in T&W)
- Investment (details of net investment are contained within TWRI's 'Manufacturing and Market Services in Tyne & Wear, 1998-2000'. TWRI is also developing an experimental dataset of investment and development in Tyne & Wear, currently for 2004 to 2005)
- Human Capital (see Indicator 5 on NVQ qualifications and Indicator 4 for details on university acceptances)
- Economic diversity/specialisation (see 'Manufacturing and Market Services in Tyne & Wear, 1998-2000')

- Connectivity (For details of internal connectivity see Local Transport Plan for 2005. On external connectivity, the ‘State of the Cities’ report ranks Newcastle’s relative position within the EU27 in terms of accessibility by air, where it is ranked above the EU27 average and 37th out of 51 cities and accessibility by rail, where it performs below the EU27 average)
- Quality of Life (see work by the Audit Commission, ODPM and DEFRA on Local Quality of Life Indicators)
- Decision making (an issue for LAs, TWP etc)

Appendix A2: Estimated Employment Change, 1991-2003, for London, Mets and large cities (%)

City by type	Total employment (excl farming)	Manu-facturing jobs	Public services jobs	Financial services jobs	Other jobs (excl farming)
England	15.7	-20.8	18.2	43.2	21.0
London (type 1)	16.9	-32.0	6.8	41.6	20.7
Mets (type 2)					
Birmingham	6.1	-27.5	23.2	33.3	10.7
Leeds	22.9	-19.6	33.8	61.3	19.8
Liverpool	5.8	-34.8	25.8	62.9	-4.4
Manchester	14.1	-30.9	12.8	59.5	20.3
Newcastle	8.5	-14.9	23.1	7.5	5.3
Sheffield	11.2	-16.9	27.6	42.2	7.1
S & E Large City (type 3)					
Bournemouth	23.2	-12.5	23.4	39.7	28.2
Brighton	28.1	-9.6	25.4	42.7	30.8
Bristol	20.0	-19.8	32.6	21.2	29.4
Leicester	-2.2	-33.4	5.7	47.5	-1.7
Nottingham	4.6	-30.1	15.6	32.7	6.6
Portsmouth	14.4	-25.1	25.1	7.9	30.7
Reading	38.1	-24.9	53.5	91.1	23.4
Southampton	10.3	-27.5	8.6	22.9	19.1
N & W Large City (type 4)					
Birkenhead	-1.6	-28.3	10.3	9.0	4.7
Bradford	3.1	-20.0	17.0	16.6	3.6
Coventry	3.8	-30.9	4.3	27.7	26.2
Huddersfield	10.3	-22.0	21.2	49.6	25.6
Hull	7.0	5.9	11.7	27.7	-1.0
Middlesbrough	8.8	-36.9	27.7	38.4	19.5
Stoke	-7.1	-38.0	38.1	-15.9	-3.9
Sunderland	14.3	-4.1	20.9	49.5	10.4
Wigan	10.4	-19.2	9.5	71.6	16.5

Source: 'State of the English Cities' (ODPM, 2006), Volume 1, p. 60, Table 3.11[65]

[65] *Caution: It is not clear whether this is AES-ABI data or from LFS.*

Appendix A3: Population change, 1991-97 and 1997-2003 for London, Mets and large cities

City by type	Thousands (for period)		% change per year		% point shift in rate
	1991–1997	1997–2003	1991–1997	1997–2003	
England	789.0	1192.0	0.28	0.41	0.13
London (type 1)	210.1	402.8	0.44	0.82	0.38
Mets (type 2)					
Birmingham	-28.2	-13.3	-0.20	-0.10	0.11
Leeds	9.6	-1.1	0.23	-0.03	-0.25
Liverpool	24.8	-17.3	-0.51	-0.37	0.14
Manchester	-26.6	0.6	-0.25	0.01	0.25
Newcastle	-8.3	-19.6	-0.17	-0.40	-0.23
Sheffield	-6.2	-3.6	-0.13	-0.08	0.06
South and east large cities (type 3)					
Bournemouth	10.3	3.3	0.52	0.16	-0.36
Brighton	4.3	7.7	0.24	0.42	0.18
Bristol	11.1	12.8	0.30	0.34	0.04
Leicester	13.4	0.7	0.54	0.03	-0.51
Nottingham	1.4	-2.8	0.04	-0.08	-0.12
Portsmouth	5.7	3.0	0.20	0.10	-0.09
Reading	23.7	7.7	1.06	0.32	-0.73
Southampton	13.3	12.3	0.71	0.63	-0.08
North and west large cities (type 4)					
Birkenhead	-13.4	-7.3	-0.54	-0.30	0.23
Bradford	0.4	8.6	0.01	0.31	0.29
Coventry	0.8	0.3	0.04	0.02	-0.03
Huddersfield	4.9	7.5	0.22	0.33	0.11
Hull	-1.4	-14.0	-0.09	-0.89	-0.80
Middlesbrough	-2.6	1.2	-0.09	0.04	0.14
Stoke	-1.1	-8.5	-0.05	-0.38	-0.33
Sunderland	-5.1	-7.7	-0.29	-0.44	-0.15
Wigan	-3.5	1.7	-0.19	0.09	0.28

Source: 'State of the English Cities' (ODPM, 2006), Volume 1, p. 42, Table 3.4[66]

[66] *Caution: Population change for Liverpool for 1991-97 should be negative (-24.8 thousand)*

Appendix A4: Cluster groups by 4-digit SIC codes (as defined by TRENDS Business Research)

Digital

SIC Code

3002	Manufacturer of computers
3162	Manufacture of other electrical equipment not elsewhere classified[67]
3210	Manufacture of electronic valves and tubes and other electronic components
3220	Manufacture of television and radio transmitters and apparatus for line telephony and line telegraphy
3230	Manufacture of television and radio receivers, sound or video recording or reproducing apparatus and associated goods
6420	Telecommunications
7210	Hardware consultancy
7221	Publishing of software[68]
7222	Other software consultancy and supply
7230	Data processing
7240	Data base activities
7260	Other computer related activities

Creative

2123	Manufacture of paper stationery
2211	Publishing of books
2212	Publishing of newspapers
2213	Publishing of journals and periodicals
2214	Publishing of sound recordings
2215	Other publishing
2221	Printing of newspapers
2222	Printing not elsewhere classified (nec)
2223	Bookbinding
2224	Pre-press activities
2225	Ancillary operations related to printing
2231	Reproduction of sound recording
2232	Reproduction of video recording
2233	Reproduction of computer media
2465	Manufacture of prepared unrecorded media
2621	Manufacture of ceramic household and ornamental articles
2622	Manufacture of jewellery and related articles not elsewhere classified
3630	Manufacture of musical instruments
3650	Manufacture of games and toys
5118	Agents specialising in the sale of particular products or ranges of products nec
5247	Retail sale of books, newspapers and stationery
7440	Advertising
9211	Motion picture and video production
9212	Motion picture and video distribution
9213	Motion picture projection
9220	Radio and television activities
9251	Library and archive activities
9272	Other recreational activities not elsewhere classified

[67] *This SIC code does not include the manufacture of heavy electrical machinery and apparatus*

[68] *The 1992 SIC code '7220 Software Consultancy and supply' has been divided into 2 categories in the 2003 classification to include '7221 Publishing of software' in addition to '7222 Other software consultancy and supply'. Both of these have been included in the definition of the 'digital cluster' used in this report.*

Appendix A5: DCMS Creative Industries and corresponding 2003 SIC Codes

Sector	**SIC Code**	**Description**
Advertising	74.4	Advertising
Architecture	74.2	Architectural
Art/antiques trade	52.48/9	Other retail sale in specialised stores
	52.5	Retail sale of second/hand goods in stores
Crafts		*Majority of businesses too small to be picked in business surveys*
Design		*No codes match this field*
Designer fashion	9 subsectors	(not specified) Clothing manufacture
	74.87	Other business activities
Video, film, music & photography	22.32	Reproduction of video recording
	92.11	Motion picture and video production
	92.12	Motion picture and video distribution
	92.13	Motion picture projection
	74.81	Photographic activities
Music and the performing arts	22.14	publishing of sound recordings
	22.31	reproduction of sound recording
	92.31	artistic and literary creation and interpretation
	92.32	operation of arts facilities
	92.34	other entertainment activities nec
	92.72	other recreational activities nec
Publishing	22.11	publishing of books
	22.12	publishing of newspapers
	22.13	publishing of journals and periodicals
	22.15	other publishing
	92.4	news agency activities
Computer games, software	22.33	reproduction of computer media
	72.21	Software publishing
Electronic publishing	72.22	Other software consultancy and supply
Radio and TV	92.2	Radio and television activities

Appendix A6: Worklessness: Unemployment caveats

There are a number of groups which are statistically difficult to categorise in relation to unemployment and economic inactivity. These are groups which aren't working but have the potential to be working:

1) Those who have just become unemployed but are not looking (examples are sudden unemployment, moved to new area, breakdown, homeless teenage)
2) People making the transition from inactivity but have not yet looked for employment (e.g. previously on Incapacity Benefit, women with children who have just started school, student just completed course)
3) Foreign nationals entitled to work here but not looking yet (if from EU10, not entitled to benefits)
4) Commonwealth citizens, Irish citizens and foreign nationals with dual passports looking for a job but who might not have been looking in the last 4 weeks
5) Foreign citizens given leave to remain in the UK but who may not have employment rights
6) People from other parts of the world who have a work permit (through their employer) but may not yet be working (so unemployed)
7) Spouses/people foreign-born who may reside in this country but may not have rights to work for 6 months (so unemployed and out of work and may/may not be looking)
8) Asylum seekers who are not allowed to work whilst claiming asylum (may/may not achieve asylum so potentially in legal limbo)
9) Students
10) Foreign students (come to study, may/may not be entitled to work)
11) EU new member states Workers Registration Scheme (includes only those who are registered, may exclude those who are self-employed or who have not bothered to register)