



## Growth in the City Region's Market Services Faster than the UK

Growth in Key Performance Indicators,  
Tyne & Wear City Region and the UK, 2001-05

	Market Services		Manufacturing Industry	
	TWCR	UK	TWCR	UK
Output	16%	10%	-4%	-10%
Employment	12%	6%	-14%	-18%
Productivity	3%	4%	8%	10%
Operating Profits	20%	10%	-2%	-5%
Operating Profits Margins	2pp	0pp	1pp	2pp

In 2001-2005, growth in TWCR in market services output, employment and operating profits (inc. margins) was faster than in the UK (see below). Productivity growth in TWCR was slower than the UK, but by a small 0.4pp. Growth in TWCR has surprisingly been led by the Rest of the City Region (RoCR), where growth was around twice as fast as the UK in all but one key indicator (operating profit margins). However, this growth is from a small base; RoCR produced just 22% of TWCR's output. Growth in manufacturing is much

weaker than in market services. However, declines in manufacturing output, employment and operating profits were slower than the UK, owing to a very strong performance in Tyne & Wear, the top performer in manufacturing on all key performance indicators. In 2005, the market services sector contributed over a third (35%, £8.7bn) of the output of the TWCR economy, making it over twice as large as manufacturing (16%, £3.9bn). Employment in market services accounted for almost half (281,000) of jobs in TWCR in the same year, three times as large as the manufacturing industry (86,000).

The above information is taken from TWRI's forthcoming reports 'Market Services in Tyne & Wear City Region' and 'Manufacturing in Tyne & Wear City Region', due for release in June. The reports identify the key competitive industries within TW to provide a broad view of the strengths in TW and insight into potential drivers of competitiveness. Additional Bulletins will be made available following the publication of the reports, which will highlight key findings.

## Revised Projections of Households for the English Regions to 2026

Revised 2004-based Sub Regional Household Projections

								Thousands		Difference in average annual change
								Revised 2004-based projections	Original 2004-based projections	
								Average annual change	Average annual change	
	2004	2006	2011	2016	2021	2026	2029	2004-2026	2004-2026	
Tyne and Wear	473	478	490	502	512	519	522	2.1	3.1	-1.0
Gateshead	85	86	88	90	92	93	93	0.4	0.5	-0.1
Newcastle upon Tyne	115	116	118	119	121	122	122	0.3	0.9	-0.6
North Tyneside	87	88	93	97	101	105	106	0.8	0.9	0.0
South Tyneside	67	67	68	70	71	71	71	0.2	0.2	0.0
Sunderland	120	121	123	126	127	128	129	0.4	0.6	-0.3

Source: Communities and Local Government

### Notes

Sub regional household projections are less robust than those at the regional level, particularly for those areas with relatively small numbers of households. This should be taken into account in using the figures. The sub-regional household projections are not National Statistics'. The household projections are an indication of the likely increase in households given the continuation of recent demographic trends. The household projections are not an assessment of housing need. They also do not take account of future policies.

The Communities and Local Government (CLG) household projections have been updated by Anglia Ruskin University to take account of revisions to the Office for National Statistics (ONS) 2004-based population projections.

Overall projections for England are not affected by these revisions. The annual rate of household growth in England from 2004 to 2026 remains at 223,000. However, comparison of the revised with the original 2004-based projections show that Tyne & Wear has a lower growth rate between 2004 and 2026 than originally projected, falling to 2,100 households per annum

## Office of National Statistics Open Consultations

The Office for National Statistics is currently consulting users on the following topics:

1. Consultation on 2006-based Subnational Population Projections  
This is a 6 week consultation period which ended on 17th April 2008
2. Consultation on the 2011 Census outputs, Online survey and blog  
This is a 12 week consultation period which ended on 19th May 2008
3. Public consultation on the reporting of migration and population statistics  
This is a 13 week consultation period which ends on 27th May 2008

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# Gateshead Justice Reinvestment Project

TWRI gave evidence at House of Commons Justice Committee Meeting

On 31 January 2008 the Justice Committee, which is appointed by the House of Commons to examine the expenditure, administration and policy of the Ministry of Justice and its associated public bodies, announced a new inquiry into Justice Reinvestment – looking at the ways in which resources are spent within the criminal justice system and how to ensure these can be spent more effectively to prevent re-offending.

On Thursday 13th March, Kadhem Jallab (Head of TWRI), along with Sir Jeremy Beecham (Local Government Association) and Ruth Gaul (Strategy Safety Manager, Community, Safety and Drugs, Gateshead Council) presented oral evidence in connection with this inquiry. The evidence presented was collated as part of the Gateshead Justice Reinvestment Project, carried out in Gateshead by the International Centre for Prison Studies, with assistance from Tyne & Wear Research and Information. The project undertook analysis in order to enable Gateshead to understand its own criminal justice issues better and how this information can be used to contribute to more efficiently targeted local responses.

## Tyne & Wear City Region



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Tyne & Wear City Region (TWCR) includes the five TW Local Authority Districts of Gateshead, Newcastle, North Tyneside, South Tyneside and Sunderland, with the addition of Blyth Valley, Castle Morpeth, Chester-le-Street, Derwentside, Durham, Easington, Tynedale and Wansbeck (which form RoCR). TWCR's GVA in 2005 was estimated (by TWRI) at £24.7bn, of which 72% (£17.9bn) is from TW and 28% (£6.8bn) from RoCR. TWCR's population is approximately 1.7 million, of whom around 1 million are of working age. Nearly two-thirds (65%) of the population are located in TW, 19% are in the four Durham districts and the remaining 15% in the four Northumberland districts.

### Weekly News

Keep up to date with a weekly summary of economic and other stories which affect Tyne & Wear.

All TWRI reports free from

[www.twri.org.uk](http://www.twri.org.uk)

## Forthcoming Reports

**Market Services Performance in Tyne & Wear and the City Region: 2001-2005 (EP 08/01)**

**Manufacturing Performance in Tyne & Wear and the City Region: 2001-2005 (EP 08/02)**

These two reports form the latest edition to TWRI's Manufacturing & Market Services series, which has been divided following the significant geographical expansion to TWCR. They cover output, employment, productivity, operating profit, net investment, establishment size and purchasing of services in the top ten 'market services' and top ten manufacturing industries in TWCR. Comparisons are made between a) TWCR, Leeds City Region (CR) and the UK, b) TW and the UK and c) RoCR and the UK. The reports also highlight the industries and services in TW which display competitive advantage relative to the UK by identifying associations between key indicators.

### Economic Review

The spring edition of TWRI's quarterly series provides an overview of economic news and the latest national, regional and county economic indicators. It covers job gains and losses in Tyne & Wear, investment and development news plus news of local firms and changes by industrial sector. Also includes a research overview of publications, including those from other organisations. This issue gives particular attention to the continuing credit crunch and its impact on the UK economy, including new growth forecasts, the launch of the Bank of England's Special Liquidity Scheme and activity within consumer spending and the housing market.

## Recently Published

**Businesses Registered for VAT in Tyne & Wear and its City Region: 2006 (EB 08/01)**

This report shows that growth in TW's business base exceeded UK growth for every year between 2002-06. In 2006, TW's business growth was 2.5%; TWCR's was a record 2.7%. It covers analysis of business registrations, de-registrations and stocks, comparing Tyne & Wear City Region and Districts within the North East and UK

TWRI is currently working on a report for TyneWear Partnership

**TyneWear Partnership Annual Monitoring Report 2007:**

This provides an overview and analysis of the current relative position of the Tyne & Wear economy and its recent performance. It monitors changes taking place over the last year and the period 2003-2007 and covers 9 core economic indicators and 4 new indicators including Tourism, New Build by Zone, Worklessness and Creative & Digital Industries.

[www.twri.org.uk](http://www.twri.org.uk)