

Colchester's quarterly economic
report: an analysis of the borough
using a range of economic indicators

July 2009



Background information

The production of this quarterly economic report for Colchester aims to give a better understanding of the Borough's economic makeup and performance in comparison to national and local trends.

The report will also aim to give a better understanding of economic areas which Colchester shows difficulty and success with.

These quarterly reports examine data around;

- Jobs advertised and sought through the Job Centre Plus
- Unemployment
- Worklessness
- Skills
- 16-19 year old Not in Education, Employment or Training (NEET) levels

- Business changes
- Redundancies
- Income
- Vulnerable sectors (of the economy)

Thanks go to Essex County Council - Connexions and Job Centre Plus (Colchester branch) for providing data towards this report.

For more information or questions about this report, please contact Cheryl Pashley in the Research and Engagement team at Colchester Borough Council (01206) 505390 or Jim Leask in the Enterprise and Tourism team at Colchester Borough Council (01206) 282864.

Introduction

Colchester is a “central place” within the economic geography of the East of England. The Borough is a member of the ‘Haven Gateway Partnership’ who work together to promote economic opportunity and ‘Regional Cities East’, a grouping of six of the major towns within the Region which “borrow strength” from one another and are collectively focused on shared and sustainable development; these locations are Colchester, Southend, Luton, Peterborough, Norwich and Ipswich. Colchester is designated a “Growth Point” in terms of Government policy (DCLG) because of its potential to contribute to sustainable housing and employment growth within a Region which in the UK is relatively under populated. (*cf: Regional Spatial Strategy*).

Currently, the Borough is poised to expand considerably upon its position as the fifth retail location within the Region and to maximise its tourism potential – both day-tripper and short-break capacity – as the Visual Arts Facility, related Cultural Quarter and other attractions progress and come “on stream”.

As an educational centre, the future is also bright for the Borough with the continuing expansion of the University of Essex, Colchester Institute and the Sixth Form College. All these institutions plus a strong secondary education base offer Colchester residents access to publicly funded learning and skills at a higher level than many other locations in the Region and the UK.

There is also a strong public sector, rivalling Chelmsford – the County town. The Borough Council is the third largest in the UK and provides a wide range of services, many of them highly rated; the Borough is rated by the Audit Commission as “Excellent”. The concentration of health facilities in Colchester is in third place in the Region and set for expansion with planned developments which may bring a medical school and further ancillary medical staff training to the Borough.

Consequently, Colchester is much more than a town with history - it is, in fact, *a city in the making*. Key regeneration projects are catering to the immediate and future needs of its population and, in doing so, moving towards a higher level of growth for the enterprises (private, public and social) which will provide the range of “life chances” expected by its growing population. In this respect, the interplay of a strong public services base is significant in enhancing the growth of the private sector in terms of skilled entrants and a robust consumer expenditure base.

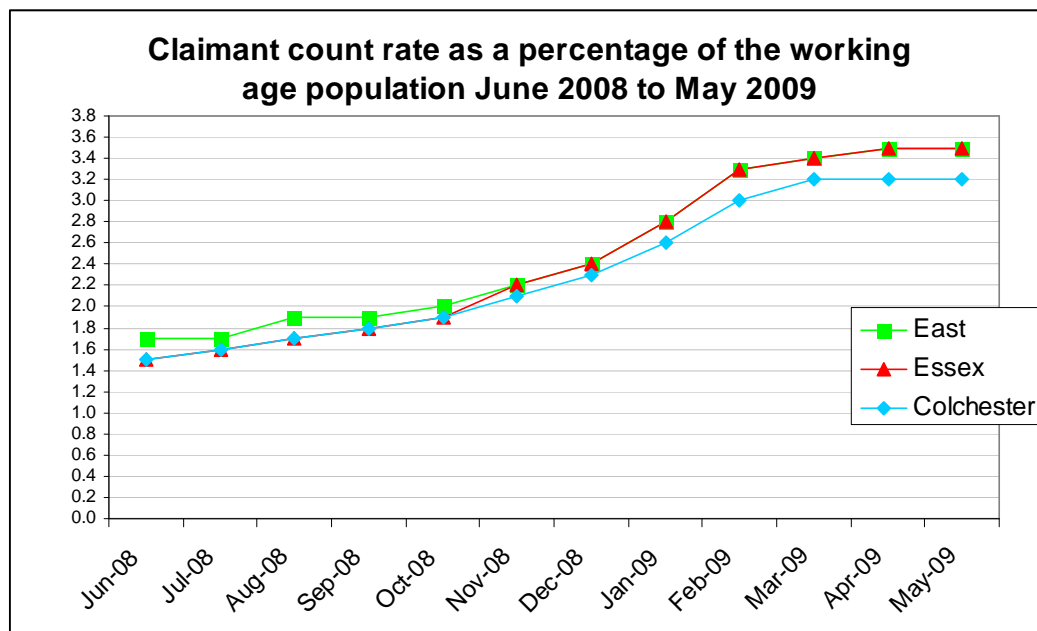
Business structure

The business structure of the Borough is well-balanced in terms of future growth scenarios for the UK economy as a whole. There are strengths in the Borough in terms of Tourism-related activity (SIC 5) and Financial intermediation (SICs J & K). Manufacturing - although small in numbers but high in value - has held up well over previous years compared to the national decline. “Other services” - increasingly a location for cultural and media activities - is an important growth sector. Additionally, the public sector is particularly strong (largely represented by SICs L, M & N); indeed, the public sector in Colchester rivals that of Chelmsford, the County capital. Moreover, there are more “data units” overall (*read*, “workplaces”) in Colchester than in Chelmsford and the rest of Essex (2007 data). These indicators collectively augur well for the Borough’s future development trajectory.

It is important to assess economic figures for the borough on a regular basis, particularly in the current economic climate, and to inform policy developments. This report will be produced quarterly to update people and will take a topical slant.

Claimant count rates and proportions May 2008 to April 2009

This data covers Job Seekers Allowance (JSA) and national insurance credits claimants at the Job centre Plus local offices. This is not an official measure of unemployment, as the data will not capture all people who are unemployed so this has only been analysed to the Colchester district level. This data this is useful as an indicative statistic of unemployment, and as it is available for more current time frame than the DWP workless claimants data, so it is useful to gain a better picture if unemployment in Colchester.



Data source Nomis Web Claimant count (JSA and National insurance Job Centre Plus claimants June 2008 to May 2009)

The chart shows the claimant count rate as a percentage of the working age population between June 2008 and May 2009. For all geographies, there has been an increase in the number of people who are claiming JSA and national insurance credits through the Job Centre Plus. Essex saw the biggest increase in the percentage of the working age population who made up the claimant counts, from 1.5% in June 2008 to 3.5% in May 2009 (2.0% increase) this was followed by the East, with 1.7% in June 2008 and 3.5% in May 2009 (1.8% increase) and then Colchester with 1.5% in June 2008 and 3.2% in May 2009 (1.7% increase)

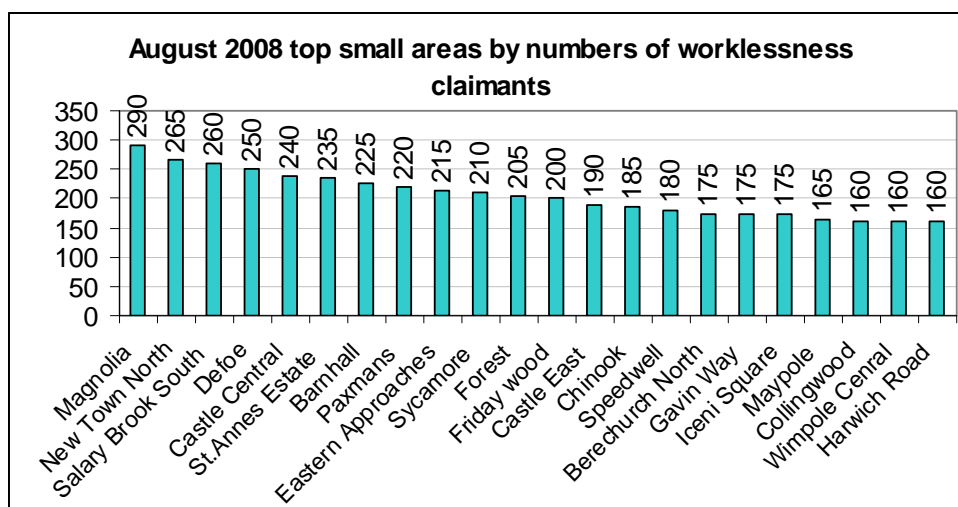
In May 2009, Colchester had the lowest claimant count rate for the three geographies with 3.2%, and Colchester and Essex had the joint highest proportion of the working age population who made up the claimant count at 3.5% each.

August 2008 worklessness data including as a proportion of mid 2007 population estimates

The most recent Department for Work and Pensions (DWP) data available for worklessness, (which includes those people claiming Job Seekers Allowance, Incapacity Benefit, Lone Parent benefits, Carers and Disabled benefits) is the August 2008 figures.

Worklessness numbers in Colchester small areas

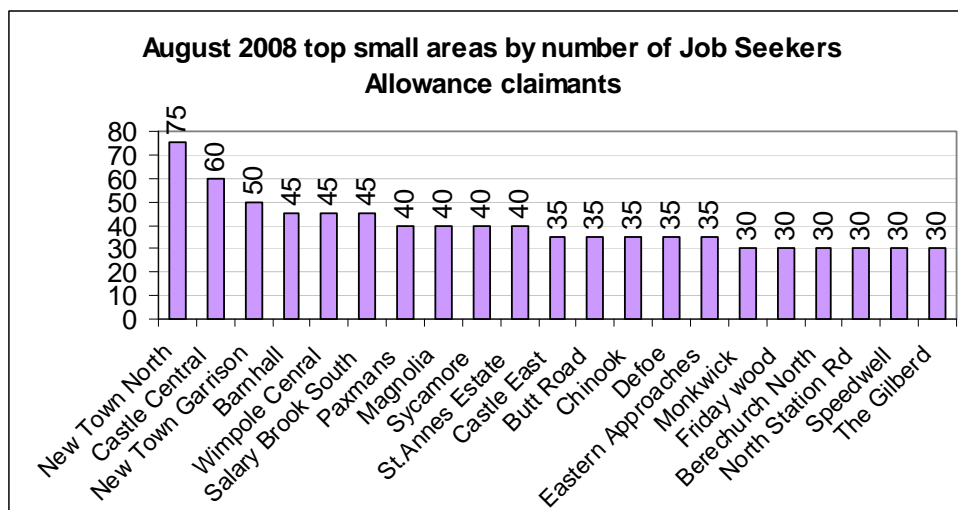
In August 2008, the average number of total workless across the 104 small areas of Colchester was 113 people, and the average number of Job Seekers Allowance claimants across all small areas was 18.



Data source: DWP tabulation tool, claimant data August 2008

The average number of August 2008 worklessness people per small area in Colchester was 113, and all of these top small areas have a higher number of worklessness claimants than that. Magnolia (St Andrew's) had the highest number of worklessness claimants, at 290 people, followed by New Town North (New Town) with 265 people workless, and Salary Brook South, with 260 people workless. There are six small areas in Colchester with over double the average number of workless claimants.

Five of the six small areas (Magnolia, Sycamore, Forest, Salary Brook South, Eastern Approaches) which make up St Andrew's ward appear in the top small areas by number of worklessness claimants, and three of the six small areas (Paxmans, New Town North, Wimpole central) which make up New Town ward appear in the top small areas by worklessness wards.

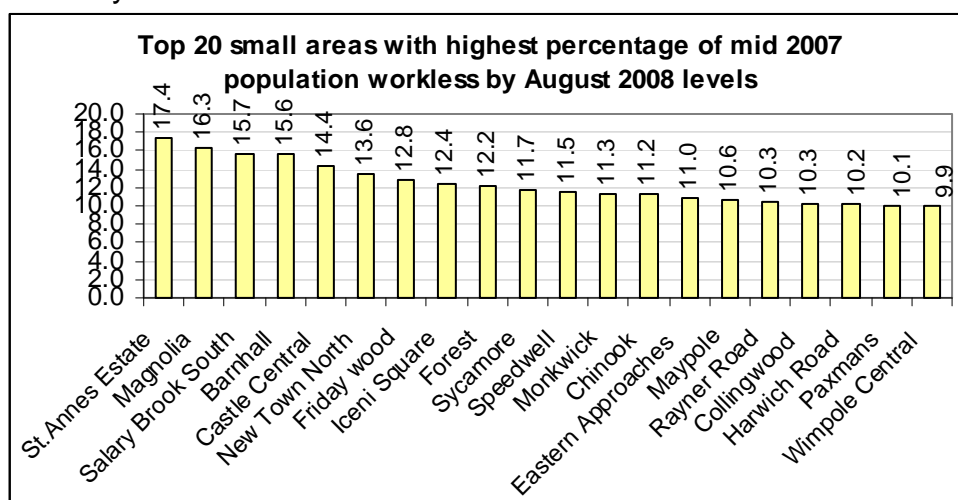


Data source: DWP tabulation tool, claimant data August 2008

The average number of August 2008 JSA claimants per small area in Colchester was 18, and all of the top small areas shown above by their number of JSA claimants are above that level. New Town North had the highest number of August 2008 JSA claimants, at 75, which is over three times the Colchester average, as was Castle Central, with 60 JSA claimants. This was followed by New Town Garrison, with 50 JSA claimants. Both St Andrews and New Town had four of their six small areas appearing in the top small areas by the number of Job Seekers Allowance claimants.

Worklessness as a percent of the population

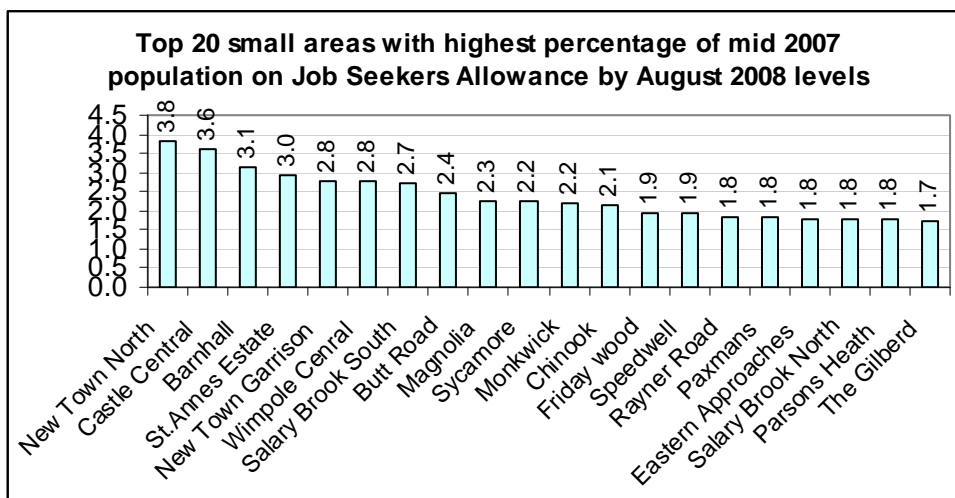
Mid 2008 population estimates are not due for release until November 2009, so the mid 2007 population estimates for the small areas have been used to give an indicative idea about the percentage of the population who are workless, obviously population growth within the year, as well as a growth in general worklessness between mid 2007 and mid 2008 will mean that the accuracy of this data is lessened.



Data source: DWP tabulation tool, claimant data August 2008. ONS Mid year population estimates Mid 2007

St Anne's Estate (St Anne's) had the highest percent of the population who were workless in 2008, at 17.4%, followed by Magnolia (St Andrew's) at 16.3% and Salary Brook South (St Andrews) at 15.7%.

Five of the six small areas in St Andrew's ward appear in the Colchester 20 top small areas (out of 104) with the highest percent of their relevant population who were workless.



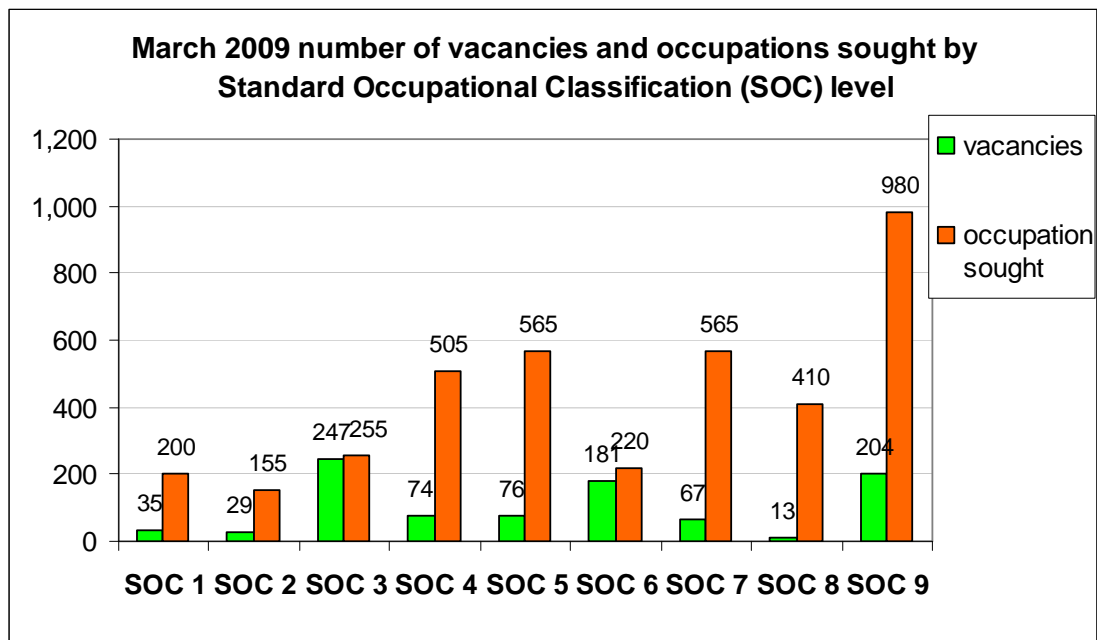
Data source: DWP tabulation tool, claimant data August 2008. ONS Mid year population estimates Mid 2007

New Town North (New Town) had the highest percent of the population who were claiming Job Seekers Allowance (JSA) in August 2008, at 3.8% of the population. This was followed by Castle Central (Castle), with 3.6% of the population claiming JSA, and Barnhall (Harbour) where 3.1% of the population were JSA claimants.

Job centre plus job seeker and vacancy data by SOC level

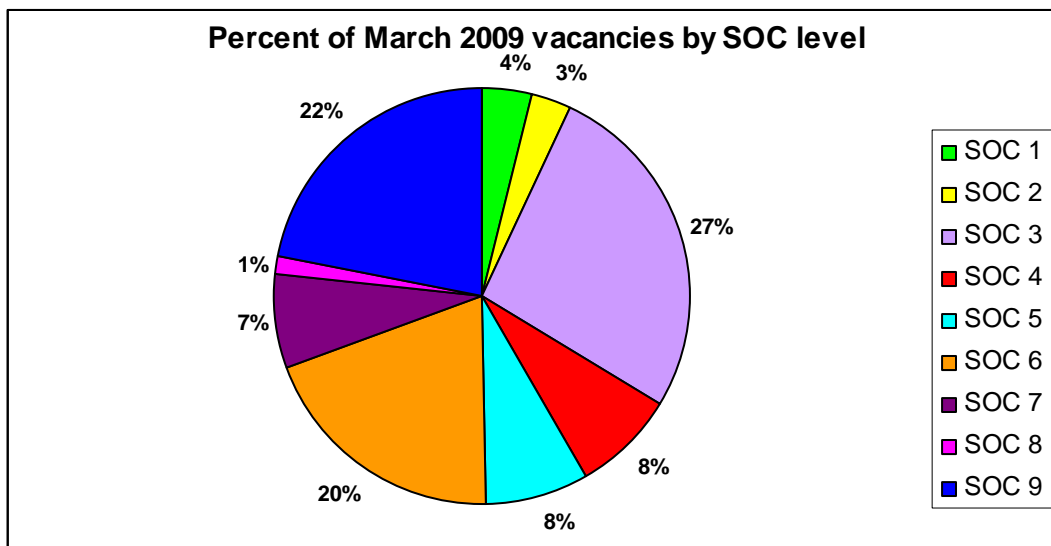
The Job centre plus vacancies and job seekers data for March 2009 will be used to specifically identify labour market trends for that period of time. This will only give an indicative picture of the labour market in Colchester, as Job Centre Plus does not deal with all market vacancies or job seekers. However, Job Centre Plus figures have shown an upward trend in the number of vacancies to which they are being alerted, with an increase from the 35% of current vacancies notified through Job Centre Plus in 2007. (Job Centre Plus Annual employer survey:2008)

Traditionally, the Job centre plus has seen less of the higher SOC level occupations advertised through them, instead many going through specialist agencies, however in the current climate there have been more of such vacancies and job seekers now using the Job Centre plus to advertise and seek work at SOC levels 1 and 2.

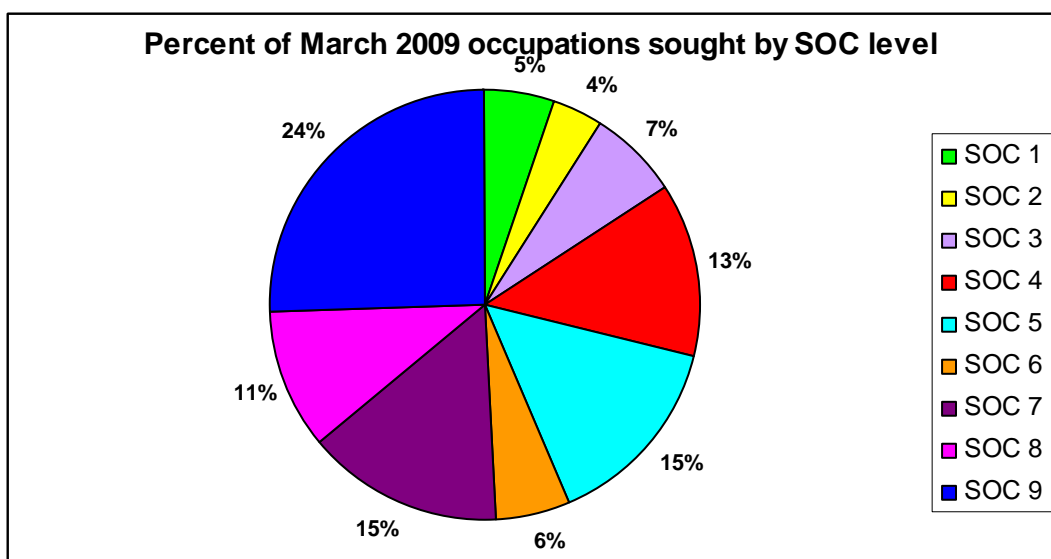


For the Job Centre Plus notified vacancies and job seekers by SOC level of the occupation, SOC level 9 'Elementary Occupations' had the highest number of job seekers at nearly 1,000 (980). However, SOC level 9 also had the biggest difference between the number of people looking for work and the number of vacancies notified through the Job Centre Plus.

For all SOC levels, the number of vacancies advertised was less than the number of job seekers. The SOC level with the smallest difference was SOC level 3 'Associate Professional and Technical Occupations' with 247 SOC level 3 rated vacancies notified compared to 255 SOC level 3 job seekers.

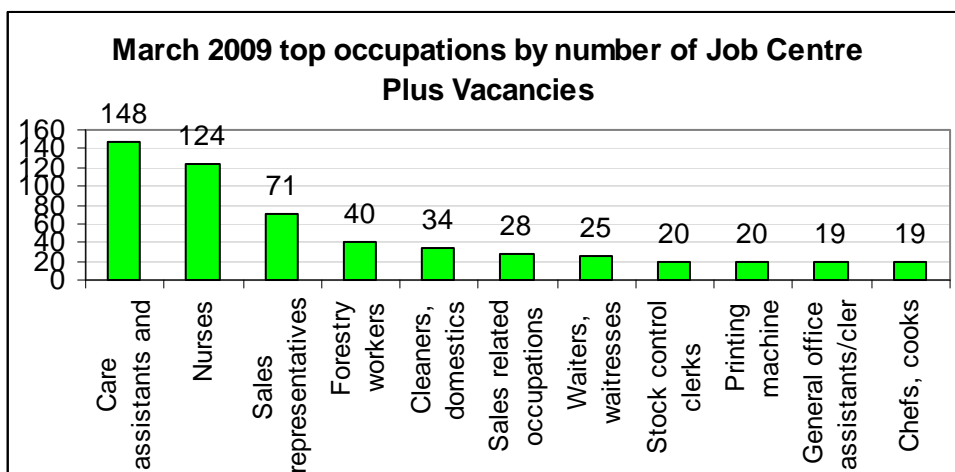


The largest percent of Job Centre plus notified vacancies were in SOC level 3 'Associate Professional and Technical Occupations'. The number of occupation specific vacancies within this SOC level are further identified in Appendix 1 and show what the make up of these jobs are. The second largest percent of Job Centre Plus notified vacancies were in SOC level 9 'Elementary Occupations' which again, the occupation specific numbers are identified for (please see Appendix 1)

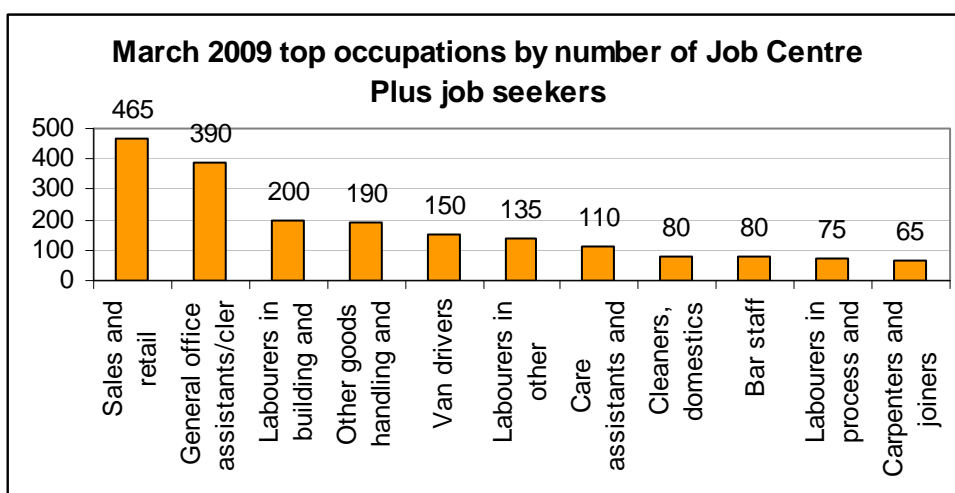


Only 7% of job seekers sought work at SOC level 3, 'Associate Professional and Technical Occupations' but this accounted for 27% of all vacancies. The largest number of job seekers who were seeking work through the Job Centre Plus were those looking for SOC level 9 'Elementary Occupations' at 24%, which account for slightly less of the job vacancies advertised at 22%. SOC level 7 'Sales and Customer Service Occupations' only accounted for 7% of Job Centre vacancies but made up 15% of job seekers sought occupations.

Only 6% of job seekers through the Job Centre Plus were seeking occupations at SOC level 6 'Personal Service Occupations', but the previous chart shows 20% of vacancies advertised through Job Centre Plus were at SOC level 6.



The occupation with the largest number of Job Centre Plus vacancies was the care assistant and home carers, with 148 vacancies in March 2009, followed by Nurses with 124 vacancies in March 2009.



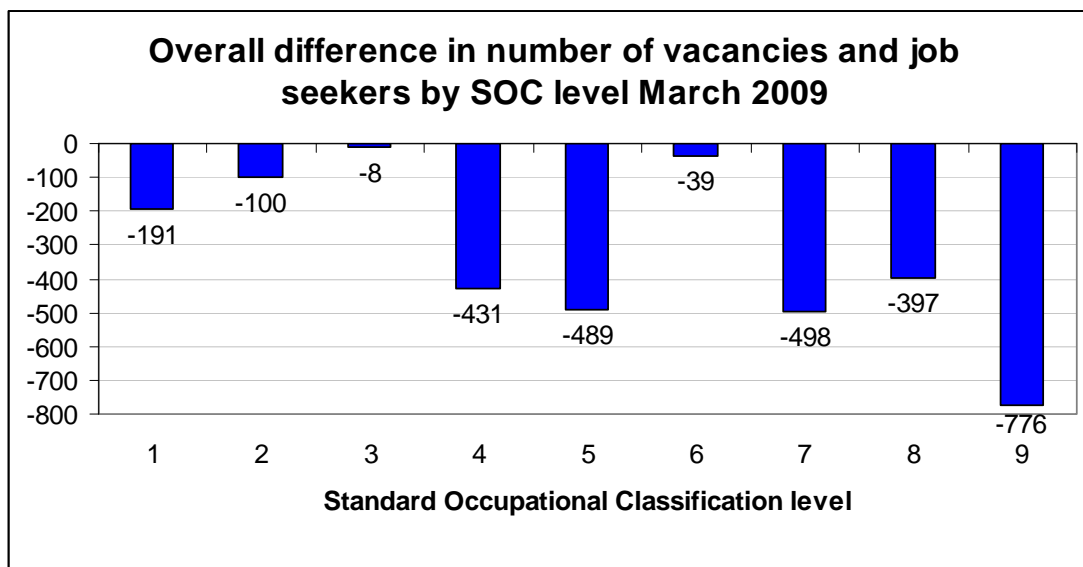
The occupation with the largest number of Job Centre Plus job seekers were sales and retail assistants, with 465 Job Centre Plus job seekers, followed by general office assistants or clerks with 390 job centre plus job seekers.

	Vacancies advertised	Occupations sought	Percent*
Basildon	533	4735	11.2566
Braintree	467	3285	14.21613
Brentwood	312	900	34.66667
Canvey Island	99	1150	8.608696
Chelmsford	740	3985	18.56964
Clacton	284	2335	12.16274
Colchester	926	3855	24.02075
Grays	639	3480	18.36207
Harlow	476	3365	14.14562
Harwich	153	635	24.09449
Loughton	189	1810	10.44199
Rayleigh	277	1330	20.82707
Southend	1139	4780	23.82845
Witham	198	855	23.15789
Average	459.43	2607.14	18.45

* Percent refers to the percent of which vacancies account for the number of occupations sought.

Across all districts in Essex, the average percent which jobs advertised made up for the number of occupations sought was 18.45%. In Colchester, this was

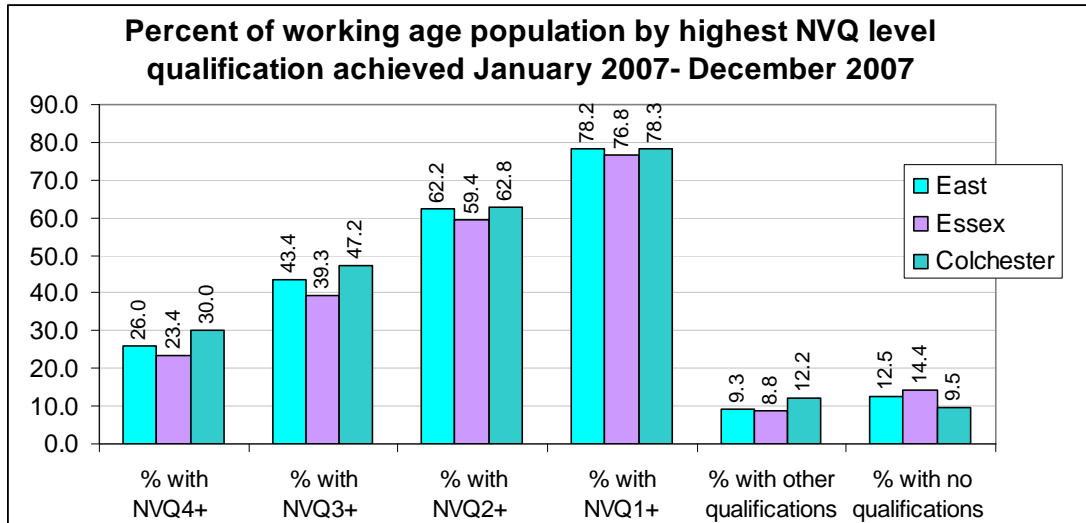
slightly higher, with a larger ratio of jobs to those people seeking occupations through the Job Centre Plus, but still this was only 24%, which would imply that at a maximum only a quarter of job seekers would have been able to secure employment though Job Centre Plus vacancies in March 2009.



The largest vacancy deficit was in the SOC level 9 occupations, 'Elementary Occupations' at -776, followed by SOC level 7 'Sales and Customer Service Occupations' at -498. All SOC levels had an overall vacancy deficit for the numbers of job seekers seeking each occupation.

The charts below identify specific occupations within each SOC level by their difference in the number of vacancies to the number of job seekers, and shows that this pattern is not uniform for everything.

Skills in Colchester



Data source: NomisWeb data from the Annual population survey January to December 2007

The most recent national data available for qualifications by NVQ level is the January to December 2007 Annual Population Survey (APS) data. The confidence intervals for this data, however, vary by geographical areas, so this data can only be used to give an indicative picture of NVQ level qualifications. The information shown counts all levels of qualification which an individual may have.

The chart shows that the same pattern runs for all geographical areas, in that the largest percent of the working age population have NVQ Level 1 and above, followed by NVQ Level 2 and above, NVQ Level 3 and above and NVQ level 4 and above.

Colchester has the lowest percent of the working age population which have no qualifications, at 9.5%, compared to 12.5% in the East and 14.4% in Essex. Colchester also has the highest percent of the working age population with NVQ level 4 plus of the geographies, at 30%, compared to 26% in the East and only 23.4% in Essex.

In Colchester, there was a higher percent of the population with 'other' qualifications, which include functional skills and entry level qualifications, at 12.2% compared to 8.8% in Essex and 9.3% in the East. For all NVQ levels, Colchester had more similar trends and figures to the East than it did to Essex.

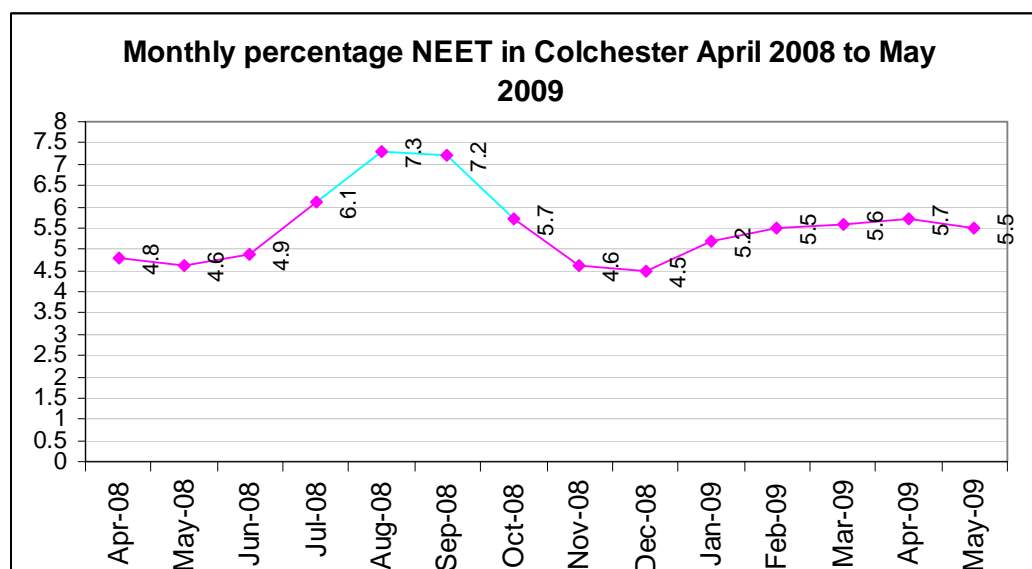
Colchester Connexions data - young people and education, employment and training

NEET are those young people aged 16 to 18 Not in Education, Employment or Training. Of those leaving school last year in Colchester 82.1% continued in full-time education at 1 November 2008; 11.3% were in work, training or voluntary opportunities; 5.3% were NEET. (Essex County Council - Connexions data)

Only 3.3% of 2008 Colchester school leavers were on an apprenticeship. The government target is that 1 in 5 young people take up an apprenticeship by 2020. As part of that initiative the public sector is setting itself targets. The 21,000 new apprenticeships due this year include an extra 5,000 places in the NHS, 7,500 in local government and 4,500 in schools and children's services. In addition, all construction companies winning contracts for the Building Schools for the Future scheme will have to provide formal training programmes.

Skills, qualifications and training are priority targets for the government, and are recognised as being important to stimulate the current and future economic progress of the country, as outlined in the Leitch report in 2006, which set a target for the UK to be a world leader on skills by 2020.

In the current recession, the younger age groups are being shown to be disproportionately affected by redundancies and unemployment (DWP: <http://www.dwp.gov.uk/publications/dwp/2009/monitoring-impact-recession-demographic-groups.pdf>) and as NEET figures give an indicative picture into the numbers of this age group who are struggling in the current economic climate, examining these figures for Colchester is crucial.



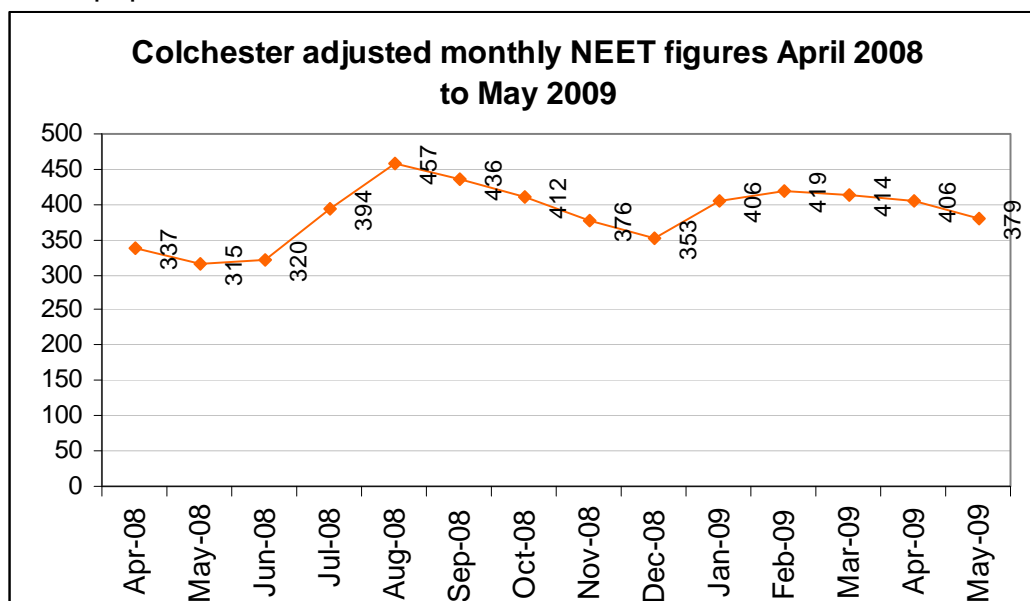
Data Source: Colchester NEET and unknowns data, produced by Essex County Council - Connexions

The percentage of the 16 to 18 year old population in Colchester who are Not in Education Employment or Training (NEET) peaked between the months of July and October in 2008, (highlighted by the blue line) which we would expect to see, as that is when many 16-18 year olds have finished education and spend time finding employment or further education opportunities.

The most recent data (May 2009) shows a NEET level of 5.5% of the 16 to 18 year olds population, which is 0.9% higher than the same calendar month in 2008, which indicates that the current economy has had a particular effect on this demographic group.

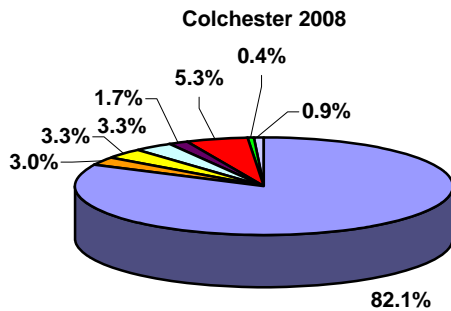
At the lowest point shown, there were 4.5% of this population rated NEET, but this was for December 2008, when temporary Christmas vacancies are available for this group. The Local Area Agreement commits Colchester to reducing the number who are classed as NEET, and it is therefore troubling that this is a group which is in fact growing in the current climate.

There is also a number of Colchester's 16 to 18 year old population for whom the economic activity is not known by the Connexions service. In May 2009 (most recent data) the adjusted figure for these young people was 192, and this must be considered when analysing the data, as they are potentially NEET population also.



This chart shows data for the same months as above, but as adjusted numbers to put the NEET figures into perspective. At the highest point, there were 457 16 to 18 year olds classed as NEET in Colchester, and this was for August, which is expected as this immediately follows on from young people being school leavers. The total number of that 16 to 18 year old group decreases over the year as young people reach their 19th birthday, and we would normally expect to see a gradual decline in the total numbers of NEET over that period. However, for the most recent NEET figure of 379 16 to 18 year olds in May 2009, this is considerably higher than the figure for May 2008 of 315 people, which shows a definite rise in Colchester 16 to 18 year olds who are NEET over the last 12 months.

Destinations of 2008 School leavers in Colchester (as at 1 November 2008)



- | | |
|--|--|
| ■ Remaining in full-time education | ■ Voluntary / Part-time activity |
| ■ Work based training (non employed status) | ■ NEET active in the labour market |
| ■ Full-time employment (inc MAs & other employed status WBL) | ■ NEET not available to the labour market |
| ■ Full-time employment no structured training | ■ Total Unknown |

Data source- Essex County Council - Connexions

2008 Colchester school leavers data in November 2008 showed the largest proportion of school leavers (82.1%) to be remaining in full time education. 3.3% were in Full time employment which included work based learning and a further 3.3% were in full time employment which had no structured training. At 5.3% there were a considerable proportion of school leavers who were NEET and active available for the labour market. A further 0.4% of school leavers were NEET but they were not active/ available for the labour market.

Useful information

Connexions is a service which helps and supports young people seeking education, employment or training. They are particularly keen to hear from any employer willing to consider offering employment or training to young people aged 16 to 18, and in particular apprenticeships. They can help find suitable young people for vacancies and signpost employers to specialist providers of training for apprenticeships. For more information about this, contact Connexions in Colchester on 01206 717100.

Number of businesses* and employees by SIC major group, Colchester: 2007

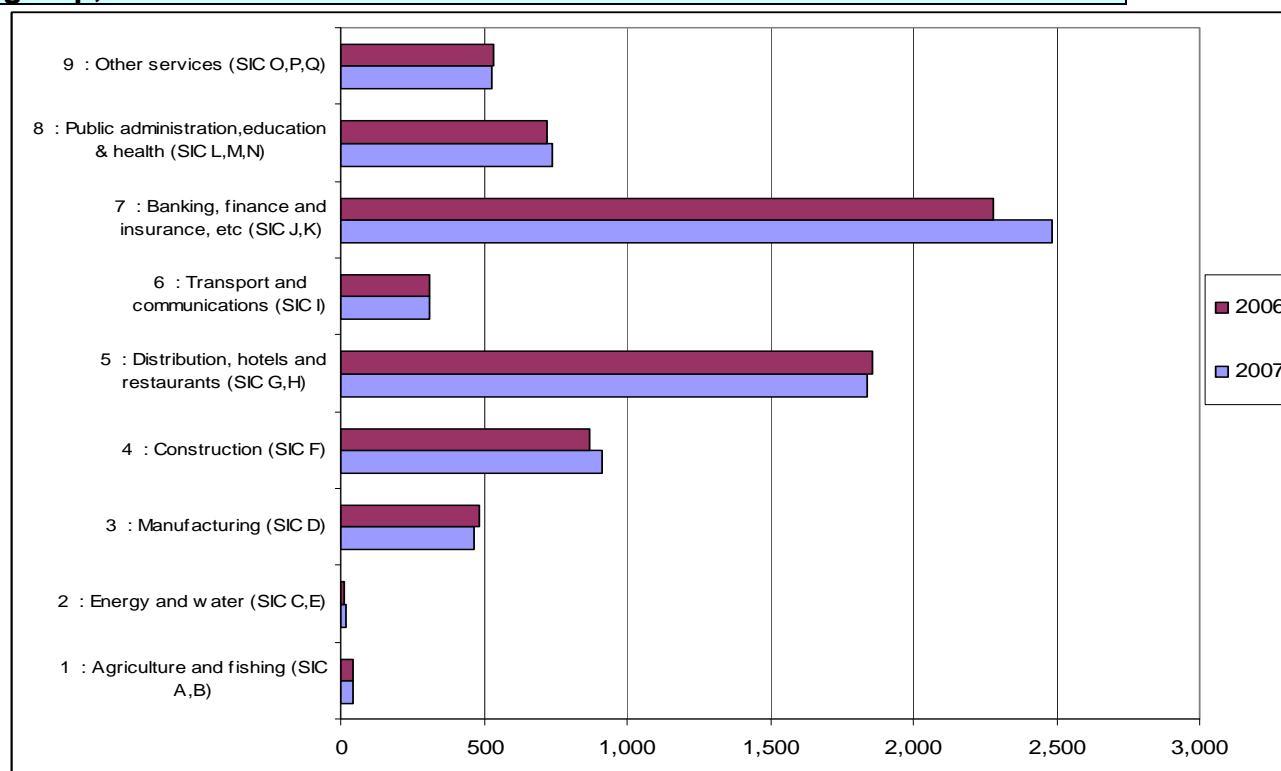
SIC Major Groups	data units	employees
1 : Agriculture and fishing (SIC A,B)	44	300
2 : Energy and water (SIC C,E)	16	302
3 : Manufacturing (SIC D)	466	5,855
4 : Construction (SIC F)	915	3,457
5 : Distribution, hotels and restaurants (SIC G,H)	1,841	18,597
6 : Transport and communications (SIC I)	311	3,126
7 : Banking, finance and insurance, etc (SIC J,K)	2,485	13,346
8 : Public administration, education & health (SIC L,M,N)	737	21,905
9 : Other services (SIC O,P,Q)	528	4,130
Totals	7,343	71,017

Data source: ABI, ONS

Note: businesses are strictly "data units", i.e. workplaces, as one business may have more than one outlet or location within the Borough.

Some of the above changes can be observed from the following table which compares "business" changes between 2006 and 2007. (NB: it should be noted that year-on-year comparisons of business numbers are not necessarily a secure guide to future trends).

Business changes by Standard Industrial Classification (SIC) major group, Colchester: 2006-7

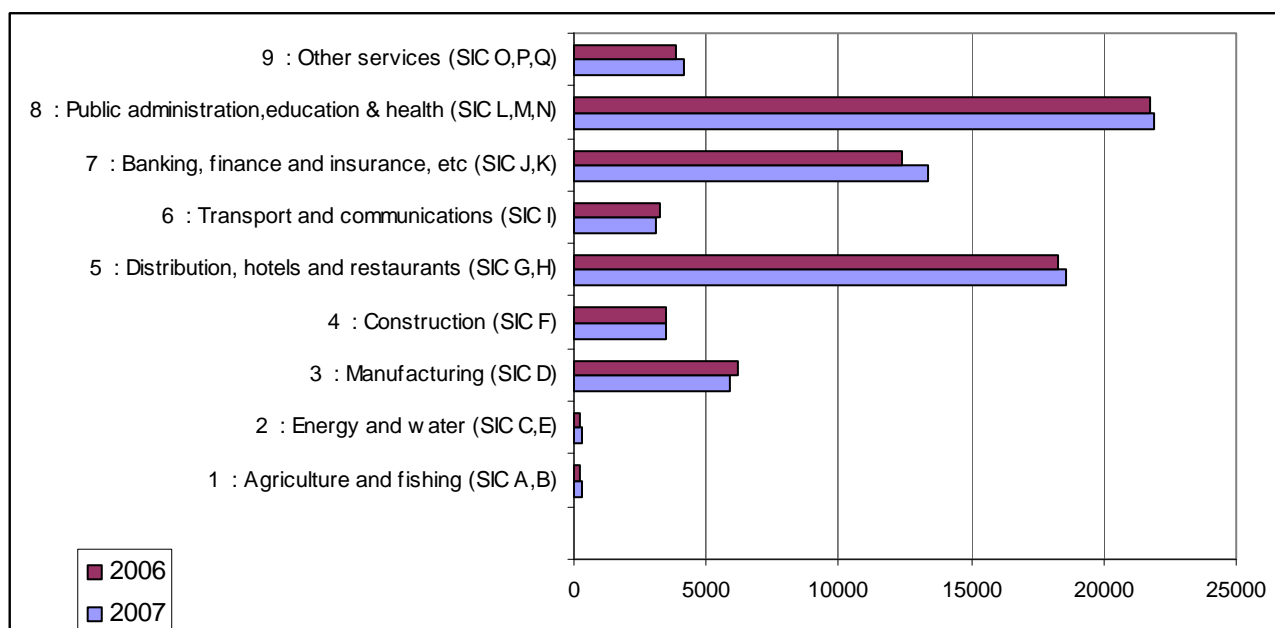


From the above table it is clear that Colchester has key strengths in Banking, Finance and Insurance businesses, followed by Distribution, Hotels and Restaurants, then Construction and Public Administration, Education and Health.

However, the significance of particular sectors by business numbers alone is less relevant than the ability of these sectors to absorb the local population in productive activity. Consequently, employee numbers are very significant in arriving at a balanced understanding of Colchester's strengths and overall growth potential.

The following table indicates where most of Colchester's employees are employed and suggest where further growth will be forthcoming.

Employee changes by Standard Industrial Classification (SIC) major group, Colchester: 2006-7



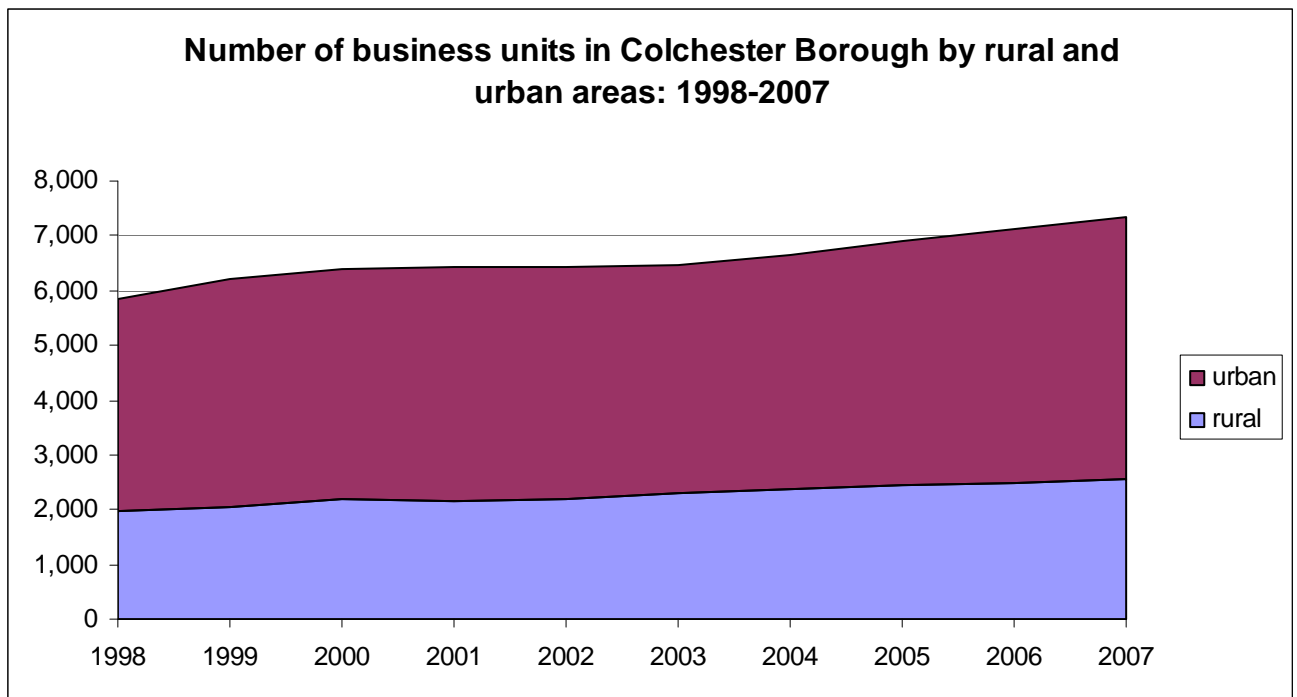
From the above, it is clear that – in terms of employee numbers – the key “growth sectors” are, in descending order: Public administration, education and health; Distribution, hotels and restaurants (this includes retail); Banking, finance and insurance; and “Other services” – including Creative and Media.

It is clear that most of these sectors embrace to a significant extent what is termed “the knowledge economy” – where training and skills are increasingly important determinants of productivity in an increasingly globalised economy.

Number of urban and rural business units in Colchester: 1998-2007

While approximately two-thirds of Colchester’s population of 175,500 lives within the “urban” area and that area includes the ‘central business district’, it is important that the rural area – accounting for two-thirds of the Borough’s land mass but one-third of its population – has a positive and sustainable upward growth trajectory.

The following chart indicates that growth of businesses in the rural area has accompanied the upward growth trend of the Borough as a whole and bears testament to the positive and practical determination of rural business planning applications by the Borough over previous years.



Data source: Annual Business Inquiry, ONS

Notes: **"Rural"** defined as the following wards: Birch & Winstree; Copford and West Stanway; Dedham and Langham; East Donyland; Fordham & Stour; Great Tey; Marks Tey; Pyefleet; Tiptree; West Bergholt and Eight Ash Green; West Mersea; Wivenhoe Cross; Wivenhoe Quay.

Urban as: Berechurch; Castle; Christchurch; Harbour; Highwoods; Lexden; Mile End; New Town; Prettygate; Shrub End; St Andrew's; St Anne's; St John's; Stanway.

"Business units" are taken as a proxy for the number of businesses although these are strictly workplaces i.e. there may be more than one outlet for the same business

Vulnerable sectors

As the economy of Colchester, like that of the UK as a whole, is in recession since the last quarter of 2008, there are impacts upon different sectors which reflect global, national and regional impacts.

In general,

‘Sectors vary in the impacts of the recession with construction, retail and consumer services, the housing market and car/consumer goods manufacturing being worst affected. The picture is more complicated within individual sectors, however...’. (Insight East Q1 2009, p4)

To date, Colchester appears to have escaped the worst of the recession as notified redundancies over the period April 2008 – April 2009 have been no greater than in previous years going back to 2003.

Notified redundancies April 2008 to April 2009

Colchester lost 434 jobs between April 2008 and March 2009 (latest data) through notified redundancies (HR1 notices to DWP)*. These redundancies originated in sales and marketing, retail sales, transport, manufacturing, construction, printing and a small number of public service jobs.

(*Note: Employers (including the public sector) are required to submit an ‘HR1’ form to the DTI if they are planning to make more than 20 people redundant. Thirty days notice are required unless more than 100 redundancies are planned in which case 90 days notice are required).

The ‘redundancy rate’ is expressed as number of redundancies per thousand jobs. This approximates to a rate of 6.1 jobs per thousand in the Borough; a rate that has remained relatively constant over the period April 2008 – March 2009, despite the recession becoming pronounced from Q4 of 2008. In this respect, Colchester appears to have fared better than other parts of Essex and the East of England as a whole, the latter reporting a surge to 10.2 redundancies per thousand in that quarter. (*Insight East, East of England Quarterly Economic Brief, Q1 2009*)

Income

There are two sets of data available to measure income in the Borough; these are *earnings by residence* and *earnings by workplace*. By considering each dataset separately and then together some interesting facts emerge:

Earnings by residence (2008) – Gross weekly pay (£)

	Colchester	East	Great Britain
Full-time workers	498.4	498.7	479.3
Male full-time workers	574.1	550.0	525.0
Female full-time workers	371.2	423.7	412.7

Data source: ONS annual survey of hours and earnings - workplace analysis

Note: Median earnings in pounds for employees working in the area

Earnings by residence show that Colchester's full-time workers receive (median) higher pay levels than those of their counterparts across the Region and the UK. While male full-time workers are in higher paying jobs than female in Colchester as elsewhere, it is a matter of concern that women in full-time work in the Borough earn less than their counterparts at Regional and National levels. This is likely to be due to the relative dominance of Retail and Services employment within the Borough.

However, turning to *Earnings by workplace* (below) a very different picture emerges. People whose workplace is within the Borough receive much lower pay than those who live here but work elsewhere. This table shows that the average rate of pay for people working locally is below both Regional and National levels for both men and women.

Earnings by workplace (2008) – Gross weekly pay (£)

	Colchester	East	Great Britain
Full-time workers	425.7	468.1	479.1
Male full-time workers	507.0	513.8	523.5
Female full-time workers	352.5	398.5	412.4

Data source: ONS annual survey of hours and earnings - workplace analysis

Note: Median earnings in pounds for employees working in the area

As approximately 75% of all Colchester's residents both live within and work within the Borough (technically, a high level of local labour market "self containment"), it is clear that average pay rates are significantly below National but, more worryingly, Regional pay rates. This disparity reflects two underlying influences: the significance of London and commuter incomes in raising rates for Colchester residents combined with the dominance of retail and other service sector jobs offering low pay levels within the Borough. There is also the possibility of "institutional" wage setting due to the self-containment factor. The challenge for Colchester is to achieve and/or exceed regional median pay levels over the next few years so that economic well-being and greater life-chances are available to a larger share of its population.

Employed population

The below table illustrates Colchester's relative strength compared to the Region and the UK. The number of people in employment is close to the Government target of 80% by 2010. However, there are less self-employed people than regionally and nationally, a finding which is not necessarily concerning given the "central place" role of the Borough which prioritises the public sector.

More significantly, the Borough has less unemployment than Regional and National levels.

Employment and unemployment (Oct 2007 – Sep 2008)

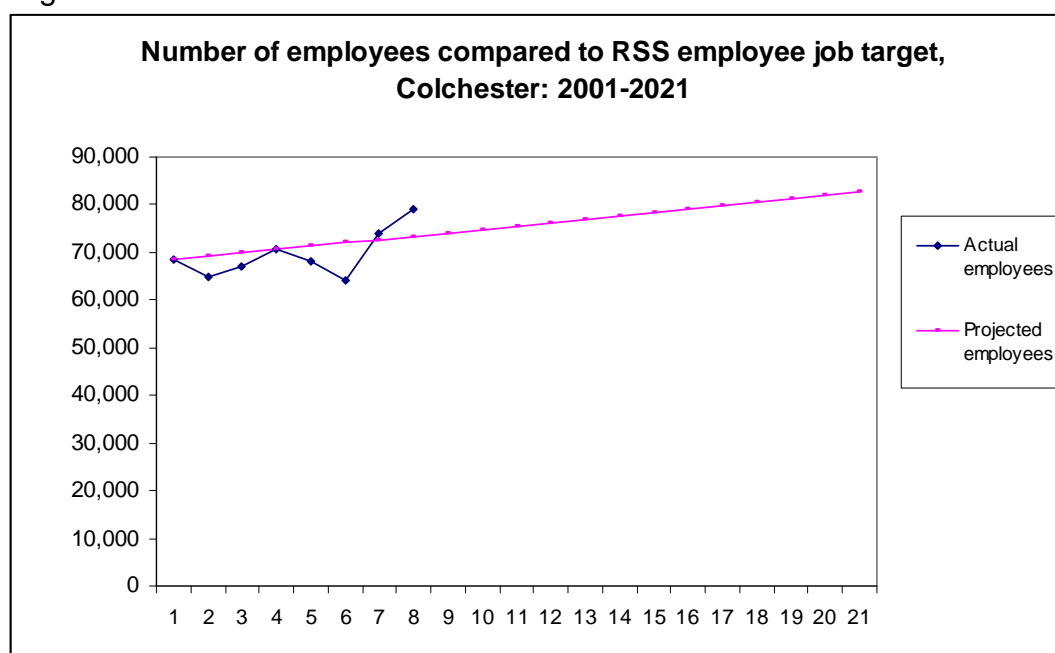
All people	Colchester		East (%)	Great Britain (%)
	(abs.)	(%)		
Economically active	95,200	81.8	81.2	78.8
In employment	90,700	77.8	77.6	74.5
Employees	80,600	69.6	66.6	64.8
Self employed	10,100	8.2	10.6	9.3
Unemployed (model-based) [§]	4,000	4.2	4.3	5.3

Data source: Nomis, ONS

Employees

As shown above, there are 80,600 employees in the Borough which is of direct relevance to achieving the RSS measure and links to Colchester's Local Development Framework. Basically, this means that employee numbers are on course to achieve the ambitious target of delivering 14,200 additional employees jobs over the period 2001-2021 to ensure that economic prosperity accompanies the Borough's planned housing growth figure..

The chart below shows how Colchester is performing against this employment target to date.



Data source: Nomis, ONS

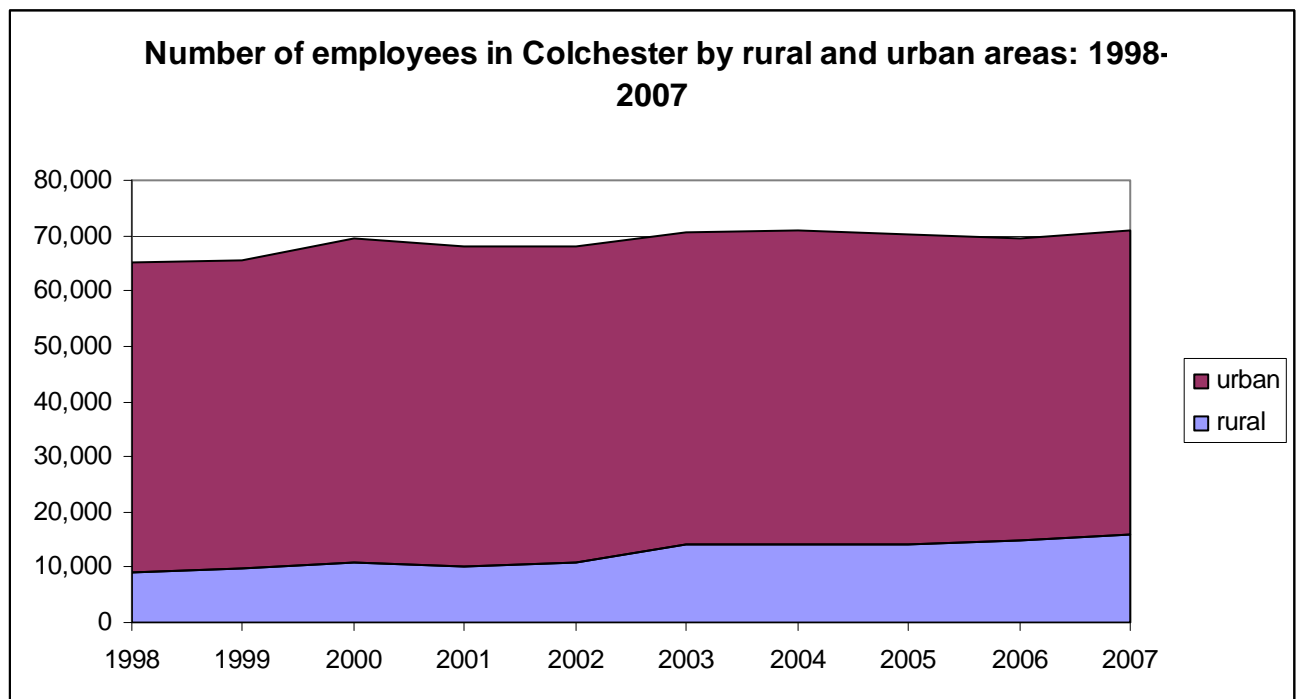
Note: the most recent employee figure for Colchester only covers Qs1-3 of 2008.

Also, figures are based on a sample which has declined since 2005.

From the above comparison of actual against projected job growth, Colchester appears duly on track to achieve its 2021 job target for the Regional Spatial Strategy, accompanying planned housing growth. However, the impact of the recent economic downturn upon employee job numbers remains to be seen in the next release of figures in this dataset.

In terms of reducing urban congestion and maintaining a vital rural sector, the evolution of urban and rural jobs indicates that the rural areas of the Borough have achieved a relatively higher rate of growth than the urban over the period 1998-2007. Again, the balancing of urban growth with rural vitality remains important to achieve a balanced economy in which rural residents have more employment opportunity.

The following table graphically illustrates the significance of rural employee growth which is in line with current Government thinking on the capacity of the rural area to contribute to overall growth without compromising quality of life for rural or urban dwellers in terms of the countryside.



Data source: Annual Business Inquiry, ONS

Notes: following ONS guidance, "**rural**" is defined as the following wards: Birch & Winstree; Copford and West Stanway; Dedham and Langham; East Donyland; Fordham & Stour; Great Tey; Marks Tey; Pyefleet; Tiptree; West Bergholt and Eight Ash Green; West Mersea; Wivenhoe Cross; Wivenhoe Quay. "**Urban**" contains: Berechurch; Castle; Christchurch; Harbour; Highwoods; Lexden; Mile End; New Town; Prettygate; Shrub End; St Andrew's; St Anne's; St John's; Stanway.

"**Business units**" are taken as a proxy for the number of businesses although these are strictly workplaces i.e. there may be more than one outlet for the same business.