



August 2025

Norwich Economic Barometer



NORWICH
City Council

Norwich Economic Barometer – August 2025

CONTENTS

BUSINESS NEWS	2
ECONOMY	2
LOCAL BUSINESS	6
EDUCATION	8
CLAIMANT COUNT UNEMPLOYMENT	9
WARD LEVEL CLAIMANT COUNT UNEMPLOYMENT	10
CLAIMANT COUNT UNEMPLOYMENT: MALE/FEMALE	11
HOUSING BENEFIT	12
AVERAGE HOUSE PRICES	13
CITY CENTRE VITALITY	14
<i>Appendix.....</i>	<i>16</i>

Norwich Economic Barometer – August 2025

Business news

Economy

- The Office for National Statistics reported that UK economic growth slowed between April and June but came in better than expected. The economy expanded by 0.3%, down from 0.7% in the first three months of the year. The biggest contribution came from services while the construction industry also grew. It is suggested that hot, dry weather helped lift activity in the construction industry, which expanded by 1.2% in the three months to June. In the services sector, computer programming including consultancy, software installation and disaster recovery helped push up growth. Vehicle rentals and health services such as doctors' surgeries, hospitals and nursing homes also boosted the economy. Retailing dragged on growth over the period but picked up towards the end.
- The Bank of England has cut interest rates to 4%, taking the cost of borrowing to its lowest level for more than two years. The cut - from the previous rate of 4.25% - is the fifth since August last year.

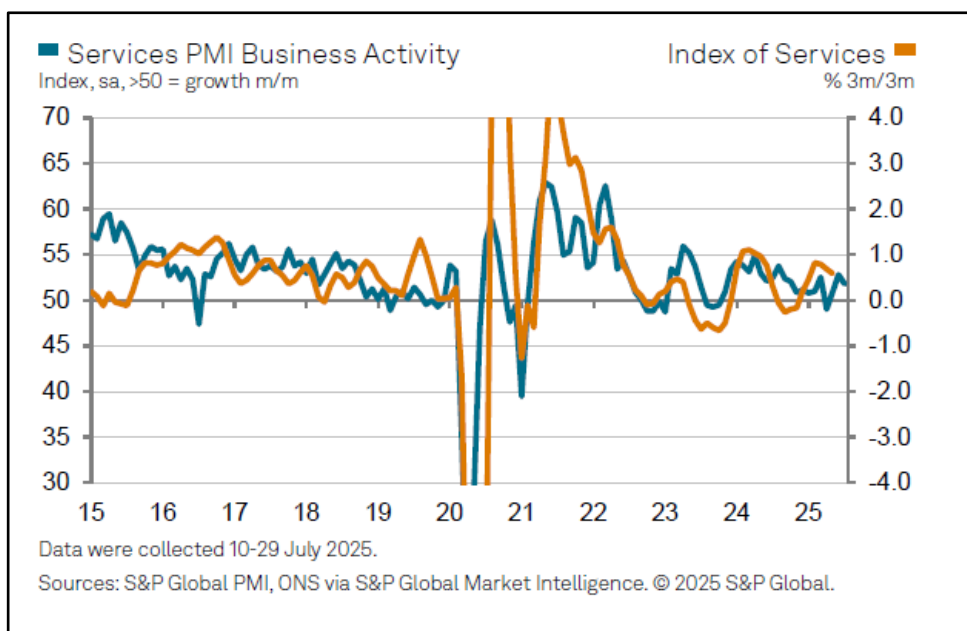


Figure 1: S&P Global/CIPS UK Services Business Activity Index

- The UK service economy lost momentum in July, reflecting sluggish demand at home and abroad. Figure 1 shows that the latest PMI survey highlighted a slowing of business activity growth since June, while incoming new work decreased for the third time in the past four months. Subdued sales pipelines and concerns about rising input costs subsequently led to an accelerated pace of job shedding. On a more positive note, business activity expectations for the year ahead improved slightly in July. Optimism was comfortably above the average seen in the first half of 2025. At 51.8 in July, the headline S&P Global UK Services PMI Business Activity Index dropped from 52.8 in June but remained above the 50.0 no-change

Norwich Economic Barometer – August 2025

value for the third month running. The latest reading signalled a modest overall expansion of output levels across the service sector.

- The start of the third quarter saw the UK manufacturing downturn show signs of easing as indicated in Figure 2. The rate of contraction in output slowed to its weakest in the current sequence of decline and business optimism rose to a five-month high. There remained risks to the downside, however, including persistently weak domestic and overseas market conditions, subdued client sentiment and manufacturers concerns about the ongoing implications of government budget decisions. The seasonally adjusted S&P Global UK Manufacturing Purchasing Managers' Index (PMI) rose to a six-month high of 48.0 in July, up from 47.7 in June. The PMI has signalled contraction in each of the past ten months. Four out of the five PMI components remained at levels consistent with a deterioration in overall operating performance (output, new orders, employment and stocks of purchases). Average vendor lead times continued to lengthen, but to the weakest extent in four months.

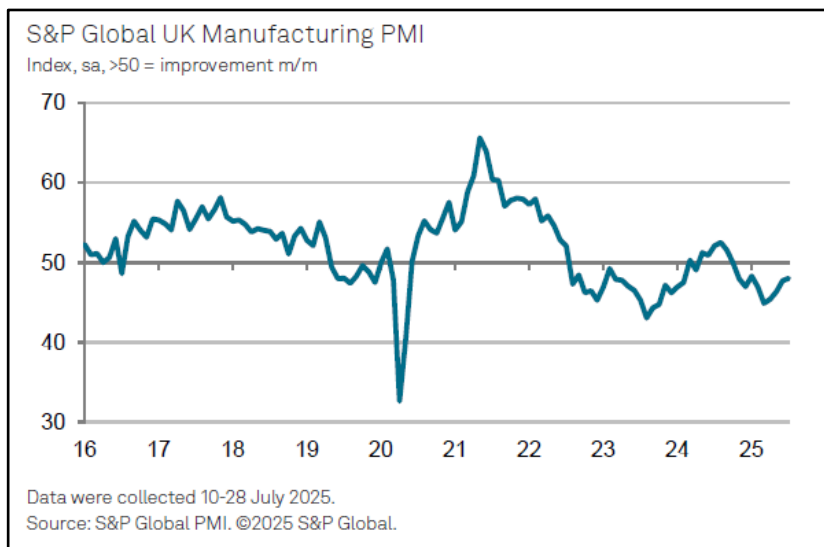


Figure 2: S&P Global/CIPS UK Manufacturing PMI

- Figure 2 demonstrates a considerable slump took place in the UK construction sector at the start of the third quarter. According to the latest S&P Global PMI® survey data, total industry activity levels fell at the steepest pace since May 2020. Underlying data highlighted marked decreases in volumes of work carried out across all three monitored sub-sectors, but a considerable drag came from a fresh drop in residential building. Posting 44.3 in July, down from 48.8 in June, the headline S&P Global UK Construction Purchasing Managers' Index (PMI) signalled the sharpest contraction in over five years at the start of the third quarter. Where a reduction in activity was reported (around 29 % of the survey panel), firms mentioned site delays, lower volumes of incoming new business and weaker customer confidence. Some respondents also cited lower work undertaken on public sector projects. Notably, of the three monitored types of construction work, civil engineering saw the sharpest drop during July.

Norwich Economic Barometer – August 2025

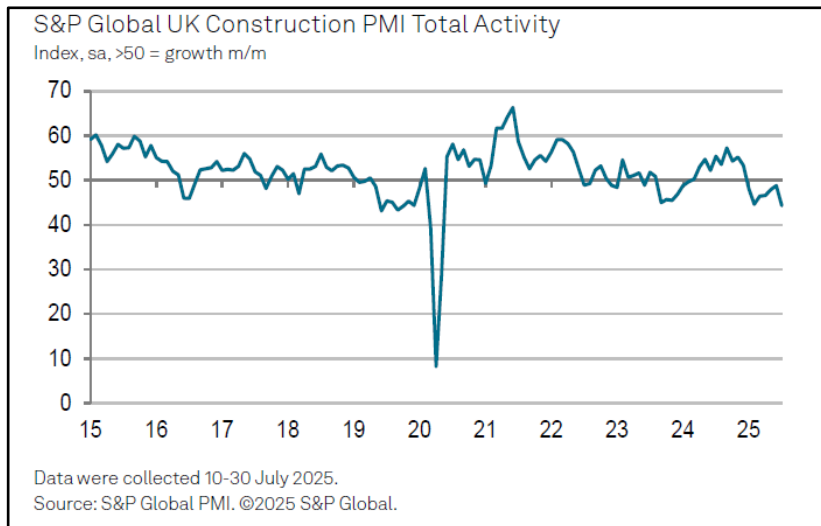


Figure 3: S&P Global/CIPS UK Construction PMI

- Firms are shedding jobs in the region at a fast rate against a background of a dip in new business volumes. Workforce numbers across the East of England's private sector fell for the eleventh month running in June as firms reported not replacing leavers, hiring freezes, high costs and restructuring. The NatWest East of England growth tracker business activity eased to 53.4 in July, from 55.6 in June, although this still signalled higher output. It placed the East of England as the second-fastest growing UK region at the start of the second half of 2025, just behind London.
- The East of England has bucked a national downturn in tech company launches in the opening months of this year by recording a small rise in the number of new firms starting life in the sector. The region saw 993 new tech companies launched in the first quarter, a 2% rise on the period a year earlier and in contrast to a 12% decline in the number nationally, according to figures from business advisory group, RSM UK.
- A better economic outlook drove up business confidence in the East of England by seven points to 53% in June – above the national average – according to a business barometer survey from Lloyds. Firms in the East reported greater confidence in the economy, up 14 points at 46% although optimism in their own business prospects was unchanged at 60 %. Meanwhile, a net balance of 45% of businesses in the region expect to increase staff levels over the next year, up 19 points on May.
- Manufacturing companies in the East of England have added 10,000 new jobs in the past two years as output has recovered to stand more than one-a fifth higher (21%) than in 2019, before the pandemic. The latest Make UK/BDO Annual Regional Manufacturing Outlook report highlights the significance of manufacturing to the East's economy; the sector accounts for 11% of the region's total output and 228,000 jobs, 7% of the region's employment. Manufacturing in the East is broadly based – the largest sector, pharmaceuticals, accounts for only

Norwich Economic Barometer – August 2025

15% of industrial output, followed by food/drink at 13.5% and machinery at 12%. Meanwhile, the East of England accounted for almost one-tenth (9%) of the UK's total goods exports to the EU.

- Business start-ups in East Anglia jumped by 11% in June compared to the month last year but the number of local companies facing late payments has also risen, according to the Eastern branch of insolvency and business rescue group R3. After a steep fall in the number of businesses set up in the region in April and May, its figures show there were 7,268 businesses set up in the region in June, up from 7,161 in May and 6,538 in June last year. But the number of companies in the region with late payments on their books rose sharply in June to 67,217, the highest monthly total for the region over the past year and up from 64,172 in May.
- A 'perfect economic storm' could be brewing in the region after a steep rise in the monthly number of businesses set up in East Anglia this year is coinciding with more cashflow 'red flags', according to the Eastern branch of R3. Its figures show that the monthly number of start-ups rose steeply by 44 % in East Anglia in July compared to last December, and by 16% against July last year. At the same time, insolvency-related activity – which includes liquidator and administrator appointments as well as creditors' meetings – rose by 22% in July compared to December 2024, and by 42% against July 2024. The analysis also shows that the number of local companies with late payments on their books remains high.
- Despite the uncertain economic climate, the number of new tech businesses being launched in the region jumped by a fifth to a record high in the three months to June. An analysis by advisers RSM found that 1,135 new tech companies were incorporated in the East of England during the second quarter, up 21% from the 941 recorded in the period last year and up 17% on the first quarter.
- Firms' confidence in the economy rose 5 points to 51% in the East of England in July but they were less optimistic on the outlook for their own business, according to a Lloyds survey. Companies in the East reported lower confidence in their own business prospects month-on-month, down 11 points at 49%. Taken alongside their optimism in the economy, the bank's business barometer gave a headline confidence reading of 50%, down from 53 % in June. Nationally, service sector confidence improved 11% to 61%.
- East Anglia's mid-sized businesses are optimistic on plans to export overseas in the next year, despite the recent turmoil in global trade and tough economic challenges, according to a BDO survey. More than one-quarter of East Anglia businesses cite better margins, profitability or cultural similarities in export markets as motivators. More than one-half said favourable trade agreements or government support in make overseas markets more attractive. Eastern Europe and Central Asia emerged as the most appealing regions for nearly two thirds of businesses to forge new trade and almost half were most interested in Asia-Pacific. Firms are keen to reduce dependence on the EU. As the government

Norwich Economic Barometer – August 2025

discusses favourable trade terms with the US, North America ranked as an attractive export region for nearly half of companies. But the survey also showed that overseas trade complications, including supply chain disruption and tariff uncertainty, are mounting.

Businesses

- Plans have been submitted for a major new research facility at Norwich Research Park. The city's research cluster plans to demolish existing buildings to make way for a main laboratory building for the John Innes Centre and The Sainsbury Laboratory - two of its four research institutes. The building will feature several labs, offices, a cafe and a training library. The plans, submitted by the John Innes Centre, also include a new support building with stores, offices and plant rooms. It will be primarily funded through a £317.7m UKRI Infrastructure fund investment.
- The UK's largest circulated fine food magazine, Specialty Food, listed Jarrolds Food Hall as one of the best in the country. It was included in a list of 20 which included Fodder in Harrogate and Harrods Food Hall in London.
- An independent shoe shop, Siddalls of Norfolk, is shutting its St Stephens Street branch on the expiry of its lease in September - the business was hit by a fall in customers following the closure of Debenhams, which was located opposite the store. The store is part of an 89-year-old family business of the same name. Its main store is located in Holt where it will continue to operate.
- A Norwich law firm has grown from a single office in the city to four locations across Norfolk and Suffolk in just over a year. Simper Law, based in King Street, has opened new offices in Great Yarmouth, Loddon and Halesworth in the last 15 months, with its team tripling in size to 32 people. The firm has also introduced dedicated conveyancing and family law departments to meet growing client demand and broaden its legal offering.
- Norwich-based Landal UK, a growing back-to-nature holiday company, has been nominated for four awards in this year's British Travel Awards 2025. The holiday resort specialist is nominated for Best Company for UK Family Holidays, Best Company for UK Parks & Lodges Holidays, Best Company for UK Short Breaks and Best Company for Romantic Getaways.
- A family-led insurance company is opening its first Norwich branch as part of its expansion this summer. Yutree Insurance will be launching its new office at 19 Upper King Street later this month after a management buyout was completed. The firm already offers commercial and personal insurance services in Newmarket and Cambridge.
- An eco-friendly business in Anglia Square has announced plans to relaunch in a central Norwich shopping mall. Ernie's Zero Waste Shop will be moving to Castle Quarter after four years in Anglia Square.
- Insurance giant Aviva, which was founded in Norwich, was named by Great Places

Norwich Economic Barometer – August 2025

To Work as their best "super large" company to work for wellbeing. According to Great Place to Work, 89 % of employees at Aviva say it is a great place to work, compared to 54 % of employees at a typical UK-based company. Aviva employs around 5,000 people in Norwich and more than 20,000 people in the UK as a whole.

- Retailer Accessorize, is returning to Norwich this summer, 18 months after closing its store in the city. Accessorize, known for its jewellery and bags, will open in Chantry Place in a new home next to the EE store. The brand previously occupied the site now filled by Mango with its sister business Monsoon until shutting down in December 2023.
- Soyokaze, a Japanese restaurant in St Giles Street in Norwich has announced it is too close after eight years in the city.
- Enterprise House on The Norwich Research Park has been redesigned to support start-ups, scale-ups, and businesses looking to relocate or expand. The newly refurbished building offers 11 flexible office spaces available on easy-in, easy-out terms.
- Four pubs in Norwich have been named among the best in England in a 500 Best Pubs in England list compiled by The Telegraph - The Fat Cat in West End Street, The Kings Head in Magdalen Street, The Leopard in Bull Close Road and The Alexandra Tavern in Stafford Street.
- Wingstop is opening its first Norwich restaurant in part of the former Superdry unit in Chantry Square. Founded as a small buffalo-style chicken wing restaurant in Texas in 1994, Wingstop currently has 57 locations around the UK and more than 2,500 worldwide.
- A new business has opened in the city hoping to help other local companies reach new audiences. Adstory, in Westwick Street, provides advertising space for small businesses around Norwich. The company has already helped to locate adverts in spaces such as Magdalen Street, Castle Quarter, Colman Road and St Stephens Street.
- Accountancy and business advisory firm, Larking Gowen, has won a national award for its benefits to support staff's work-life balance. They received the award at the Employee Benefits Awards 2025.
- Norfolk County Council has been named as one of the best places in the country to be an apprentice. The council was placed 54th in the government's Top 100 Apprenticeship Employers list, which recognises employers' outstanding commitment to apprenticeships.
- Cut the Mustard, located at Fuel Studios in Pottergate, won the "short form digital" category at the Royal Television Society East awards. The studio was formed by a group of graduates from the Norwich University of the Arts in November 2019.

Norwich Economic Barometer – August 2025

Education

- The University of East Anglia (UEA) has been granted approval by the General Dental Council to provide dental training – a positive step towards opening a dental school. The East of England is a ‘dental desert’ and UEA has been working with MPs to push for the allocation of undergraduate training places. The approval by the General Dental Council, received earlier this week, means that when Government instructs the Office for Students to allocate undergraduate dental training places, UEA will be able to apply.
- A new strategy which puts creativity at the heart of the learning, research, partnership and campus life at the UEA has been launched. Creativity in Action commits UEA to embedding creativity across the whole campus and curriculum and to new areas of partnership, research and creative enterprise. Creativity In Action is being launched a year on from the signing of a landmark Memorandum of Understanding between UEA and Arts Council England, which has seen the organisations work together to embed arts, culture and creative research into the heart of Norfolk’s communities.
- The UEA has been ranked in the top 100 in the world against four of the United Nations’ 17 Sustainable Development Goals (SDGs). The Times Higher Education (THE) Impact Rankings 2025 ranks 2,526 universities based on their progress towards the United Nations’ SDGs. UEA stands out globally in four key SDGs, reflecting its commitment to sustainability, equity and the environment:
 - 13th in the world for SDG 10: Reduced Inequalities
 - 46th globally for SDG 13: Climate Action
 - 45th worldwide for SDG 15: Life on Land
 - 89th internationally for SDG 12: Responsible Consumption and Production
- All but six of Norwich’s primary schools are lagging behind national averages in key metrics. Of the 24 primary schools in the city area, pupils in 18 of them are behind the national curve for reading, writing and maths. Overall, only 51 % of all city children are meeting expected levels, compared with the national average of 61%. The only Norwich schools to exceed the national average for key stage two results are: Clover Hill, where 88 % of children met expected levels for reading, writing and maths, St Francis of Assisi (73%), Charles Darwin Primary (71%), Eaton Primary School (70%), Mile Cross Primary (67%) and Avenue Junior School (62%). The school with the lowest scores was Heartsease Primary Academy, where just 20% of children met the expected standards.

Norwich Economic Barometer – August 2025

Claimant count unemployment

Figure 4 summarises the trend in claimant count unemployment since 2020. Following decreases in the unemployment rate since late 2013, the rate increased sharply during the Covid-19 pandemic. However, as Figure 4 shows, claimant count rates have fallen across each of the reported areas since that time. Currently the rate in the Norwich city council area is just above the national rate; considerably higher than rates in the urban area, the county and the region.

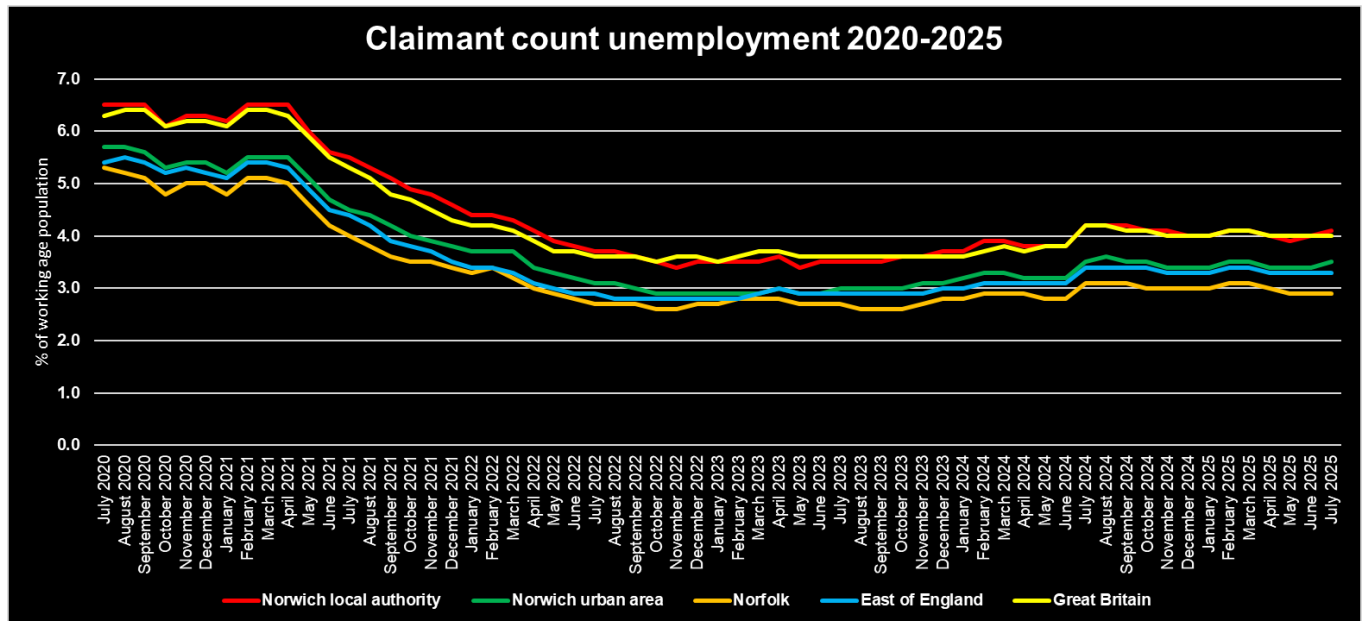


Figure 4 Claimant count unemployment 2020 to 2025

Table 1 Claimant count unemployment rate

	July 2024		June 2025		July 2025		Monthly change	Annual change
	Number	%	Number	%	Number	%		
Gt. Britain	1,736,525	4.2	1,660,585	4.0	1,671,980	4.0	0	- 0.2%
East of England	134,575	3.4	130,670	3.3	131,090	3.3	0	- 0.1%
Norfolk	16,895	3.1	15,995	2.9	16,190	2.9	- 0.1%	- 0.2%
Norwich urban area	5,315	3.5	5,150	3.4	5,270	3.5	+ 0.1%	0
Norwich City Council area	4,240	4.2	4,000	4.0	4,120	4.1	+ 0.1%	- 0.1%

Table 1 shows that relative to the previous month, the claimant count unemployment rate increased in both Norwich areas and nationally but remained unchanged across the other

Norwich Economic Barometer – August 2025

areas bar Norfolk which saw a marginal fall. Rates fell across each of the reported areas compared to June 2024 excepting the urban area where rates were unchanged.

Ward level claimant count unemployment

As shown in Table 2, during the month of July, unemployment rates in Catton Grove and Wensum fell slightly compared to the previous month and rates in Mancroft and Sewell wards were unchanged. Unemployment rates increased in the remaining wards relative to June.

Compared to the same time last year, unemployment rates in Bowthorpe and Nelson wards were unchanged. Rates in the remaining wards fell. Eaton, Mile Cross and Wensum wards saw an increase with the strongest growth taking place in Mile Cross ward.

Table 2 Claimant count unemployment

	July 2024		June 2025		July 2025		Monthly change	Annual change
	Number	%	Number	%	Number	%		
Bowthorpe	300	4.7	285	4.5	305	4.7	+ 0.2%	0
Catton Grove	375	5.2	320	4.5	315	4.4	- 0.1%	- 0.8%
Crome	390	5.6	350	5.0	360	5.1	+ 0.1%	- 0.5%
Eaton	115	2.1	110	2.0	120	2.3	+ 0.3%	+ 0.2%
Lakenham	360	6.0	300	5.0	310	5.2	+ 0.2%	- 0.8%
Mancroft	460	6.4	450	6.2	450	6.2	0	- 0.2%
Mile Cross	425	5.9	440	6.1	460	6.4	+ 0.3%	+ 0.5%
Nelson	220	2.8	210	2.7	220	2.8	+ 0.1%	0
Sewell	290	4.0	280	3.9	275	3.9	0	- 0.1%
Thorpe Hamlet	295	4.2	290	4.1	305	4.3	+ 0.2%	- 0.1%
Town Close	275	3.8	245	3.4	250	3.5	+ 0.1%	- 0.3%
University	315	2.4	265	2.0	300	2.3	+ 0.3%	- 0.1%
Wensum	420	5.2	460	5.6	450	5.5	- 0.1%	+ 0.3%

Figure 5 demonstrates the wide variation in ward claimant count rates across the city council area. The differential between the lowest rates (Eaton and University wards) and the highest rate (Mile Cross ward) currently stands at 3.8 percentage points.

Norwich Economic Barometer – August 2025

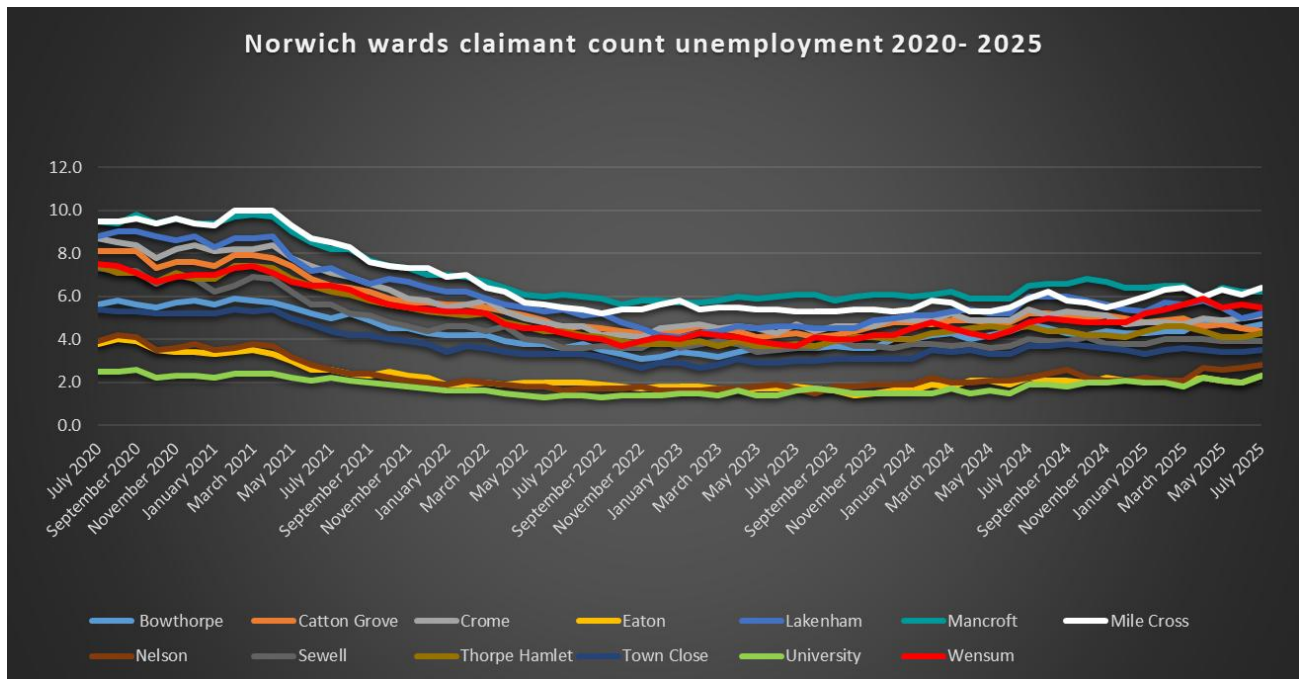


Figure 5 Norwich wards claimant count unemployment 2020 to 2025

Claimant count unemployment: male/female

In the Norwich city council area, women account for 41% of out-of-work claimants. In July, female unemployment rates in Norwich increased slightly compared to the previous month (3.4%). Relative to June, the Norfolk, regional and national rates remained the same (2.6%, 3.0% and 3.5% respectively).

Over the month, the male unemployment rate saw a marginal increase in Norwich but remained the same in Norfolk, regionally and nationally. The male unemployment rate stands at 4.8% of working age males in Norwich; male unemployment rates are lower nationally (4.5%), in Norfolk (3.3%) and regionally (3.6%).

Since records began in 1992, Norwich's male and female unemployment rates have been persistently higher than rates in Norfolk and the region and have tended to mirror the rate at the national level. The relatively high levels of unemployment can be traced back to the loss of large scale production line manufacturing jobs and the predominance of the service sector in the city.

Norwich Economic Barometer – August 2025

Housing benefit

Table 3 Norwich City Council housing benefit claimants

	Number of claimants	Monthly change
July 2024	13,480	- 41
August 2024	13,417	- 63
September 2024	13,358	- 59
October 2024	13,423	- 65
November 2024	13,391	- 32
December 2024	13,358	- 33
January 2025	13,339	- 19
February 2025	13,279	- 60
March 2025	13,320	- 41
April 2025	13,224	- 96
May 2025	13,246	+ 22
June 2025	13,255	+ 9
July 2025	13,263	+ 8

Housing benefit is an income related benefit designed to help people on low incomes pay for rented accommodation whether in, or out, of work. Housing benefit numbers include people who are claiming council tax benefit only. Many housing benefit claimants are pensioners, people with disabilities, carers or people who are in low waged work. It should be noted that low wage levels in Norwich are a contributory factor to the number of people claiming housing benefit.

Table 3 shows that the number of housing benefit claimants in the Norwich local authority area grew by 8 claims in July compared to the previous month. Over the past twelve months housing benefit claims in Norwich have fallen by 1.6%. Comparable national data is not available because of a time lag in data collection.

Norwich Economic Barometer – August 2025

Average house prices

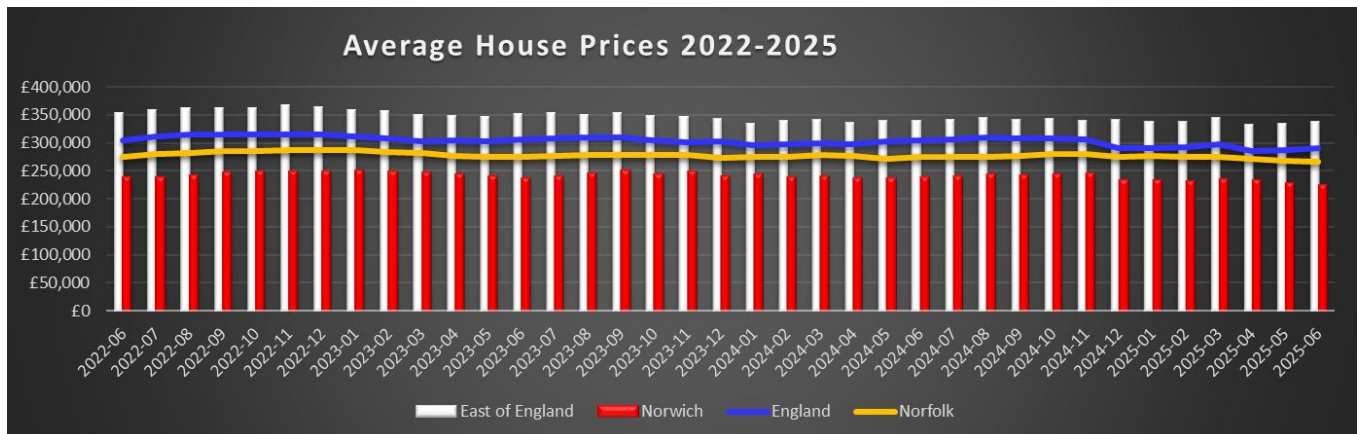


Figure 6 HM Land Registry average house prices 2021- 2024

The House Price Index (HPI) produced by HM Land Registry is the most accurate and independent house price index available for the UK.

According to HM Land Registry's HPI (Crown copyright) over the year, average house prices fell by 2.1% in Norwich; prices increased by 1.7% in Norfolk, by 3.7% in the East of England and by 3.3% nationally. Figure 6 summarises average house price movements since June 2022.

During the month of June, average house prices fell by 0.4% in Norfolk and by 1.1% in Norwich. Over the same period, prices increased by 1.2% in the East of England and by 1.3% in England as a whole.

The average house price in Norwich currently stands at £225,109 against £266,524 for Norfolk, £337,920 for the East of England and £290,956 for England.

Norwich Economic Barometer – August 2025

City centre vitality

Footfall data is provided by the Norwich BID (Business Improvement District).

Monthly Footfall Counts						
	Year to date % YoY		This month % YoY		This month % MoM	
	2025	2024	2025	2024	2025	2024
Norwich	-2.5%	-3.8%	-5.0%	-2.1%	12.3%	5.6%
East	-0.3%	-3.1%	-2.8%	-0.4%	4.7%	3.8%
High Street Index - BDSU (BDSU - Comparison)	1.9%	-0.3%	1.7%	1.9%	5.4%	1.8%
UK	0.6%	-0.9%	0.0%	0.8%	4.1%	1.3%
Benchmark calculations (Year on Year and Month on Month) have been calculated using like for like data sets (only those counters available in both comparison periods) to ensure statistical accuracy						

Figure 7 Monthly footfall counts

The total number of visitors for the year to date is 9,225,825 which is 2.5% down on the previous year.

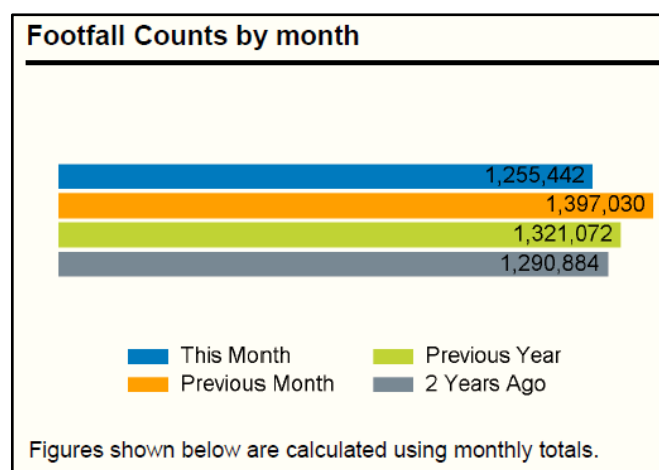


Figure 8 Comparison of monthly footfall

Figure 8 shows the total number of visitors to Norwich in the month beginning 7 July 2025 was 1,255,442.

Figure 9 overleaf shows the busiest day in this month was Saturday 12 July with 60,157 visitors.

The peak hour of the month was 13:00 on Saturday 26 July 2025 with footfall of 8,690.

Norwich Economic Barometer – August 2025

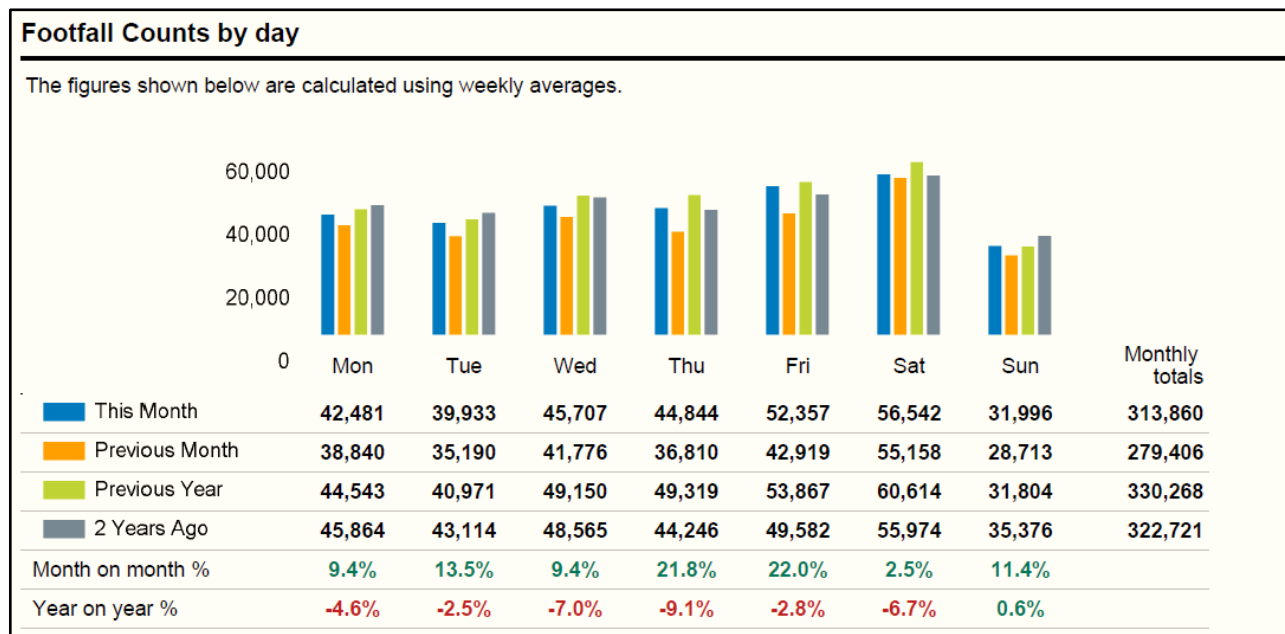


Figure 9 Footfall counts by day

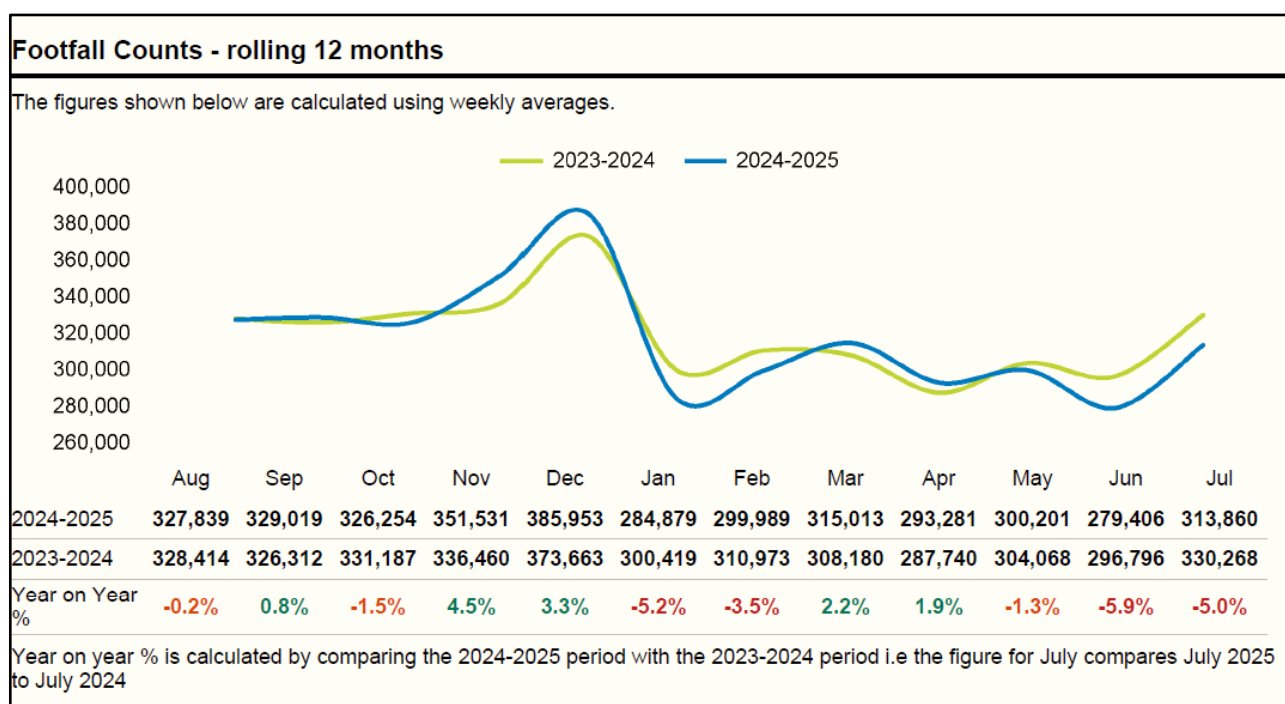


Figure 10 Rolling 12 months footfall counts

Figure 10 summarises rolling 12-month footfall counts since 2018. Seven of this year's monthly footfall counts are lower than for the previous 12 months.

Norwich Economic Barometer – August 2025

Appendix

Contact details:

Sharon Cousins-Clarke, Economic Development, Norwich City Council,
Email: SharonCousins-Clarke@norwich.gov.uk

Sources:

Figure 1: S&P Global/CIPS UK Services Business Activity Index

Figure 2: S&P Global/CIPS UK Manufacturing PMI

Figure 3: S&P Global/CIPS UK Construction PMI

Figure 4: Claimant count – NOMIS, Crown copyright

Figure 5: Ward unemployment – NOMIS, Crown copyright

Figure 6: House Price Index - HM Land Registry, Crown copyright

Figure 7: Monthly footfall counts, Norwich BID

Figure 8: Comparison of monthly footfall, Norwich BID

Figure 9: Footfall counts by day, Norwich BID

Figure 10: Rolling 12 month footfall counts, Norwich BID

Table 1: Claimant count – NOMIS, Crown copyright

Table 2: Claimant count – NOMIS, Crown copyright

Table 3: Housing benefit claimants - Norwich City Council

News stories from a variety of sources including EDP/Evening News; Business in East Anglia; Office of National Statistics; Reuters; BBC; Markit/CIPS PMI; Markit Monthly Economic Overview; University of East Anglia; Norwich University of the Arts; City College Norwich.

