



October 2025

# Norwich Economic Barometer



**NORWICH**  
City Council

# Norwich Economic Barometer – October 2025

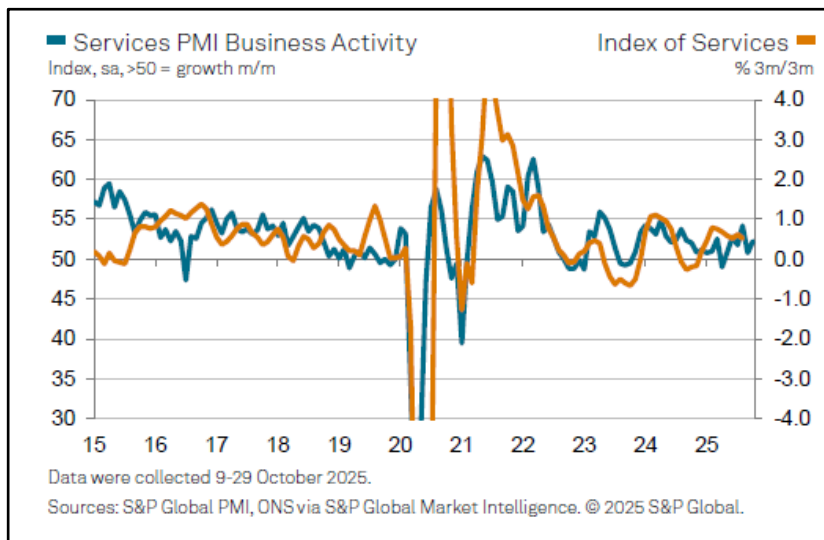
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### Business news

#### Economy

- UK inflation dropped to 3.6 per cent in October, easing pressure on households. The Office for National Statistics (ONS) said annual inflation as measured by the consumer prices index cooled for the first time in five months, declining from a peak of 3.8 per cent over July, August and September.
- The UK government borrowed more than expected in October, the ONS said borrowing – the difference between public spending and income – was £17.4bn last month. That was lower than the same month last year, but still the third highest October deficit on record.
- Retail sales fell 1.1 per cent month on month in October, the first fall since May, according to official figures from the ONS. Economists had been expecting sales growth to be flat on the previous month. Supermarkets, clothing stores and online mail order companies suffered sales declines, which some retailers said was due to consumers delaying purchases in the run-up to the annual Black Friday sales, according to the ONS. Clothing, footwear and textile stores posted a 3.3 per cent month-on-month drop in sales, the largest fall, after strong summer when shoppers were motivated to buy clothes during warm weather and sporting events improved consumers' mood. Supermarkets recorded a sales decrease of 1.1 per cent in October, the second consecutive monthly fall. Online retail sales fell 1.7 per cent month on month, while fuel sales dropped 2.4 per cent in October compared with September.

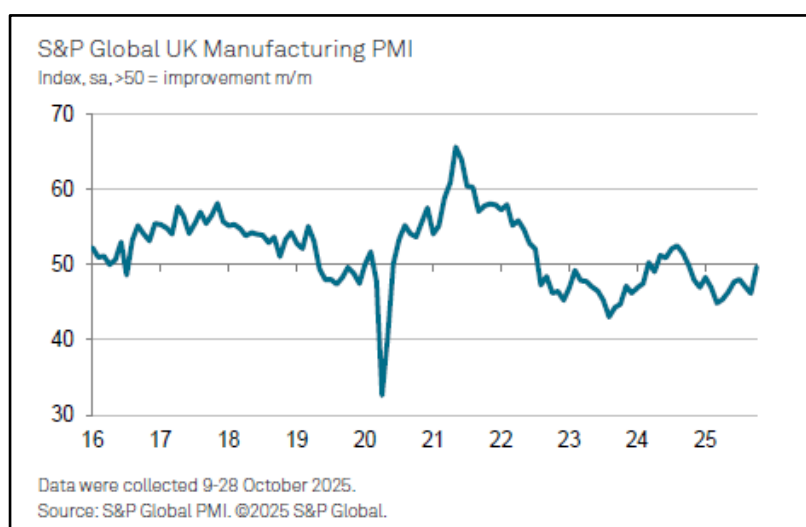


**Figure 1: S&P Global/CIPS UK Services Business Activity Index**

- Figure 1 shows the headline seasonally adjusted S&P Global UK Services PMI Business Activity Index posted 52.3 in October, indicative of a moderate expansion of service sector output. The index was also comfortably above the five-month low of 50.8 seen in September. Anecdotal evidence suggested that a

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rebound in order books and successful new product launches had helped to boost business activity in October. Business activity expanded for the sixth consecutive month in October, with growth momentum strengthening considerably since September, helped by improved demand conditions. Survey respondents cited a gradual turnaround in new work and sales opportunities, despite elevated business uncertainty and delayed decision-making among clients. Moreover, expectations for business activity over the next 12 months were the most upbeat since October 2024. October data pointed to only a slight reduction in employment numbers across the service economy. Lower staffing numbers have been recorded in each month since October 2024, but the latest decline was the slowest seen over this period.



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

The seasonally adjusted S&P Global UK Manufacturing PMI rose to a 12-month high of 49.7 in October, up from 46.2 in September shown in Figure 2. Three of the PMI constituents (new orders, employment and stocks of purchases) registered contractions, while sub-indices for output and suppliers' delivery times were at levels consistent with improved operating conditions. Sector data signalled that production volumes rose in the consumer and intermediate goods industries. Growth was stronger in the latter, partly reflecting a boost to some manufacturers (mainly those sensitive to the autos supply chain) from the staged restarting of production at JLR (Jaguar Land Rover). Although investment goods output contracted for the twelfth successive month, the rate of decline was the weakest during that sequence. Market conditions faced by manufacturers remained tough, however, with demand from both domestic and overseas markets decreasing during the latest survey month.

- UK construction companies indicated that output levels remained on a downward trajectory in October. Moreover, the rate of decline in total industry activity was the steepest recorded since May 2020. Figure 3 demonstrates the headline S&P Global UK Construction PMI – a seasonally adjusted index tracking changes in total industry activity – registered 44.1 in October, down from 46.2 in September

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and below the 50.0 no-change mark for the tenth consecutive month. This marked the longest period of continuous decline since the global financial crisis more than 15 years ago. Civil engineering remained the weakest-performing segment in October (index at 35.4), with business activity falling sharply and at the fastest pace since May 2020. Survey respondents widely cited a lack of new work to replace completed projects. Residential work (index at 43.6) also decreased markedly, and the latest decline was the greatest for eight months. Commercial building activity meanwhile showed some resilience as the latest index reading (46.3) was little-changed since September.

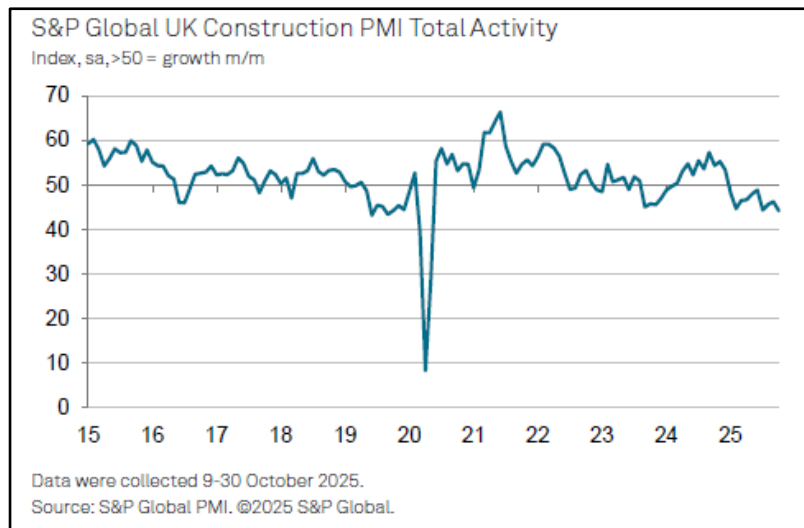


Figure 3: S&P Global/CIPS UK Construction PMI

- The Government has announced plans to train 400,000 workers as part of a new Clean Energy jobs plan to train the next generation of clean energy workers in 31 priority occupations. It will also include a programme to match veterans with jobs in the industry and schemes for ex-offenders, school leavers and unemployed people.
- Almost one million young people are still Not In Employment, Education or Training, ONS data suggests. The number of so-called NEETs - those aged 16-24 who are unemployed or economically inactive in the UK - had fallen slightly to 946,000 between July and September, down from 948,000 in the three months before.
- Business start-ups in East Anglia rose sharply in September and insolvency activity slowed but business owners should remain cautious over coming months, says the Eastern branch of insolvency trade body R3. There were 8,363 businesses set up in East Anglia in September, a 17 per cent rise on August and the highest number for any region in the UK outside London. R3's analysis also shows a decrease in insolvency-related activity across East Anglia in September, with fewer liquidator and administrator appointments as well as creditors' meetings.
- New business in the East of England grew at a faster pace in October and the rate

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of job shedding and input price inflation slowed in the region, according to a key survey of purchasing managers. The NatWest East of England growth tracker business activity index rose to 52.1 in October, up from 51.3 in September and signalling higher output for the sixth month running. The rate of growth picked up to a four-month high. But workforce numbers in the East fell for the 14th month running as private firms used recruitment freezes, non-replacement of leavers, internal reorganisations and fewer temporary staff.

- Optimism amongst logistics businesses has fallen to lowest level in 14 years although many firms in the sector are still planning to make acquisitions. The Barclays-BDO UK logistics confidence index 2025 fell to 40.4, down from 57.6 in 2024 and below the Covid low of 47.1 five years ago. The fall is being blamed on tough challenges facing logistics operators and haulage businesses due to higher costs a sluggish economy, cautious consumers and geopolitical tensions. Nearly seven in ten firms in the sector say current trading conditions are more difficult than last year with half expecting them to remain tough in the next 12 months. Some 62 per cent of respondents expect lower profits and most firms plan to cut costs over the year ahead through measures such as shared transport and warehousing. Whilst one-quarter of respondents to the survey have been involved with mergers & acquisitions in the past year, nearly one-third are likely to make an acquisition over the coming year.
- Business confidence in the East of England picked up in October as firms' optimism on their own trading prospects improved whilst more firms are planning to hire staff next year, according to a business barometer survey from Lloyds. Overall business confidence in the region rose by eight points during October to 40 per cent as firms also grew more positive on the outlook for the economy. Meanwhile, a net balance of 47 per cent of businesses in the East expect to increase staff levels over the next year, up 25 points on the previous month. The top targets for growth were new markets, new tech and investing in teams.
- Separately, confidence among East Anglian mid-sized companies 'remains resolute' according to a survey of over 500 business leaders from BDO. More than half (56 per cent) of regional businesses are confident about their growth prospects over the next 12 months, slightly higher than in June. It says many companies in the region are seeing out the year on a firm footing after a prolonged period of pressure and uncertainty, positioning 2026 as the year when AI investment comes to the fore."
- A sharp rise in insolvency-related activity in East Anglia ahead of the Autumn Budget indicates 'the perilous state of the local economy' according to the Eastern branch of R3. Its figures show that there were 323 cases of actions such as administrator and liquidator appointments along with creditors' meetings in the region in October. This was up 19 per cent up on September although still 23 per cent down on October a year ago. There was also a monthly increase in the number of East Anglian companies with late payments, with 63,304 businesses

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having unpaid invoices past their due date in October, the highest regional figure outside London.

### **Businesses**

- Norwich will benefit from the £5bn Pride in Place programme, investing in public spaces and community hubs. Heartsease, Pilling Park, Bowthorpe and West Earlham are the Norwich areas identified by the government for £40 million funding.
- The first phase in developing 67 new council homes on the former Mile Cross depot site has been approved. The total budget for this development is £20.5 million. As part of the pre-construction phase, the council has already appointed Ovamill to begin the ground works for essential utilities and road infrastructure which will start before the end of the September. The council will also try to award contracts to local suppliers wherever possible, so that this project will also support local jobs and boost the local economy.
- New Anglia Growth Hub has now helped more than 7,000 businesses in Norfolk, providing 43,000 hours of support since 2014.
- Greater Anglia has been named passenger operator of the year. The train company received the award at the National Rail Awards, marking its second consecutive win - the third in four years.
- A new perfumery business, Loris Parfum, which was originally founded in Turkey almost 20 years ago, has opened in the Royal Arcade. The independent franchise is now one of eleven in the UK.
- It has been announced that Norwich's newest music venue, Dead Wax Social will open by the end of October. The venue has taken over the former Dog House Bar in St George's Street.
- In a study by Markel Direct, an insurer of small businesses, Norwich ranked as the 12th top city in the UK to start a business with a five year survival score of 6.2/10. It looked at factors such as business closure rates, five-year startup survival rates, broadband speeds and household income growth. Belfast, Cambridge and Exeter, respectively, took the top three rankings.
- The Alexandra Tavern on the corner of Stafford Street and Gladstone Street has been named as one of the UK's best pubs by British Airways magazine, High Life.
- City food hall Yalm, located in the Royal Arcade, has been named the country's third best at the 2025 British Street Food Awards.
- GQ magazine has named 38 St Giles in Norwich as one of the best hotels in England.
- A new fast-food chain, Jacksons Chicken, is opening its first restaurant in the city on Prince of Wales Road. The restaurant is currently undergoing a refit and is

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located in the former Cans 'n' Cocktails site, which closed in August 2023. The chain has stores located in Kettering and Wellingborough.

- Jordon King, of Norwich firefighting equipment manufacturer Delta Fire, has received national recognition for his contribution to the sector. He has been named in the top 100 UK manufacturing industry leaders by The Manufacturer, as well as a One to Watch in LDC's top 50 most ambitious business leaders of 2025.
- Accountancy firm Scrutton Bland has expanded its East Anglian footprint with the acquisition of Norwich-based Argents Chartered Accountants. It follows the firm's recent acquisitions of Jacobs Allen in October 2024 and Tile & Co in February this year which together strengthened its presence across Norfolk, Suffolk and Essex.
- A new knitwear shop is opening in Norwich later this month. WoolOvers is opening in the former Patisserie Valerie site which has been vacant since 2021 after the company fell into administration in 2019.
- Insurance and financial planning company Alan Boswell Group has appointed nine new apprentices to its Norwich and Cambridge offices as part of a long-standing programme.
- The Children's Garden Day Nursery, an outdoor nursery based in Norwich is expanding its site with two new buildings to meet growing demand for early-years childcare and education. The nursery, based in the walled garden at an 18th century mansion, Colney Hall, is using £250,000 in funding through Lloyds' Clean Growth Finance Initiative, which offers discounted lending to fund sustainable investments. The new buildings will enable the nursery to take on an additional 30 children.
- Aviva has signed UEA's Civic Charter, which sets out UEA's commitment to working with organisations and individuals to tackle societal challenges – from climate change and public health to education and inclusion. Aviva's signature reinforces its dedication to building resilient communities. Through the Aviva Community Fund, the company supports grassroots projects across the UK, pledging £1.8 million in 2024 alone to causes focused on financial wellbeing, climate action and social inclusion. The signing of the Civic Charter builds on years of collaborative research and innovation activities, as well as student placement opportunities.

## **Education**

- A new set of vocational qualifications are to be rolled out for 16-year-olds. The Government plans to replace level 3 BTECs with V-levels and also introduce a core skills diploma alternative alongside the current maths and English GCSE qualification aiming to reduce the number of resits.
- Norfolk-based Rogers & Norton Solicitors recently launched its 2025 – 2026 Law Academy, the programme's fifth year and it's largest to date. An opening evening took place at a new venue – Norwich City FC – with a record 40 sixth form students



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from eight Norfolk schools and colleges taking part. Launched in 2019 with 12 students at the firm's offices, the Law Academy was created to give young people a hands-on, practical insight into the legal profession that goes beyond a typical week of ad hoc work experience.

- More than 40 employers forged links with construction students from City College Norwich at an event to connect young people with work placement and apprenticeship opportunities in the industry. Bright Futures Live, organised by Construction East, Norfolk Constructing Excellence Club and City College Norwich, enabled hundreds of face-to-face conversations to take place between students and employers. students were able to find out about a diverse range of opportunities including architecture, civil engineering, structural engineering, groundworks, property development, project management, quantity surveying, electrical installation, scaffolding and bricklaying.
- Thirty students are underway with a new Graduate Entry Medical course at the University of East Anglia (UEA). Bringing in graduates from a range of disciplines, the new four-year course is one year shorter than a standard medical degree course without compromising on quality. The programme has been developed to help meet current and future NHS workforce demands, particularly aimed at providing the skills to serve the region's rural and coastal communities.
- Public Health enters the global top 100 as UEA secures strong positions across multiple subjects in ShanghaiRanking's widely respected academic rankings. Other notable achievements include Economics rising into the top 200, Biological Sciences maintaining a top 150 ranking, and Earth Sciences, Geography, Environmental Sciences and Engineering continuing to rank within the global top 200.
- The UEA has improved its overall score in the QS World University Rankings: Sustainability 2026 – sitting in the world top 100. The rankings measure an institution's ability to tackle the world's greatest environmental, social and governance challenges. Internationally, UEA ranks in the top 3 per cent globally (61st out of 2,001 institutions) and top 6 per cent in Europe (35th out of 620 institutions). UEA's combined score of 92.6 represents a rise from 91.4 last year.

## Claimant count unemployment

Figure 4 illustrates the trend in claimant count unemployment since 2020. After a period of decline in unemployment rates starting in late 2013, there was a significant spike during the Covid-19 pandemic. However, as shown in Figure 4, claimant count rates have since decreased across all reported areas. Currently, the rate in the Norwich city council area is slightly above the national average and notably higher than those in the urban area, the county, and the broader region.

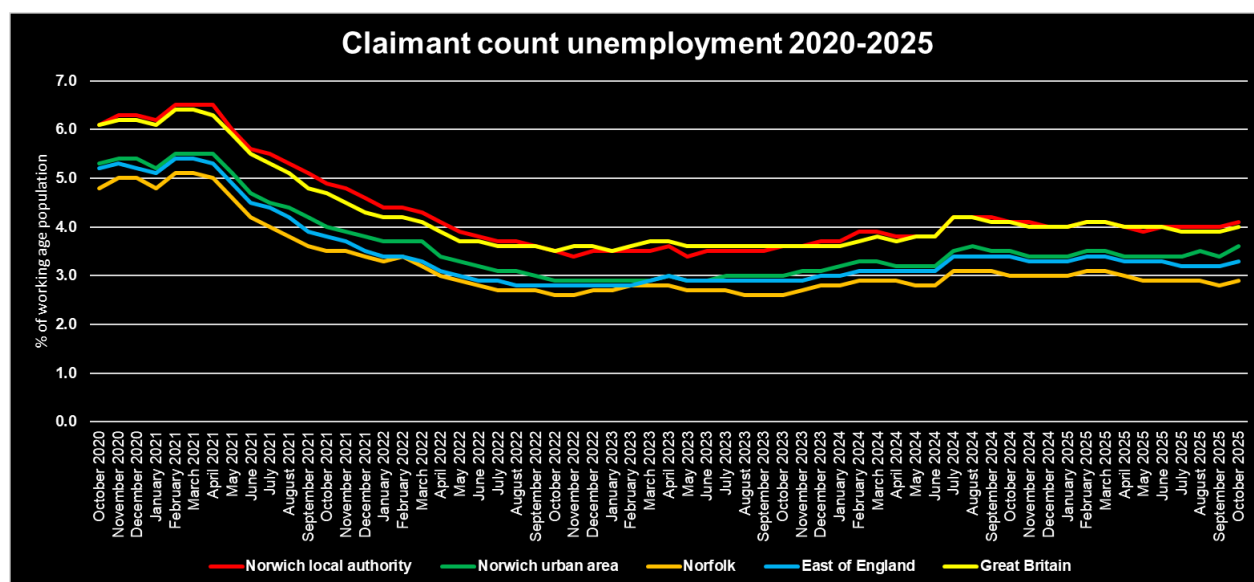


Figure 4 Claimant count unemployment 2020 to 2025

Table 1 Claimant count unemployment rate

	October 2024		September 2025		October 2025		Monthly change	Annual change
	Number	%	Number	%	Number	%		
Gt. Britain	1,711,675	4.1	1,619,575	3.9	1,651,950	4.0	+ 0.1%	- 0.1%
East of England	132,840	3.4	127,205	3.2	130,045	3.3	+ 0.1%	- 0.1%
Norfolk	16,600	3.0	15,635	2.8	16,105	2.9	+ 0.1%	- 0.1%
Norwich urban area	5,245	3.5	5,170	3.4	5,355	3.6	+ 0.2%	+ 0.1%
Norwich City Council area	4,140	4.1	4,005	4.0	4,170	4.1	+ 0.1%	0

Table 1 shows that, compared to the previous month, the claimant count unemployment rate rose in all reported areas. However, when compared to October 2024, rates decreased in most areas, with the exception of the urban area, where the rate experienced a slight increase.

## Ward level claimant count unemployment

As shown in Table 2, unemployment rates in Nelson ward decreased slightly in October compared to the previous month, while rates in Sewell ward remained unchanged. In the other wards, unemployment rates increased relative to September.

When compared to the same time last year, unemployment rates rose in Bowthorpe, Mile Cross, and Nelson wards, while Crome, Eaton, and Wensum wards saw no change. In the remaining wards, rates declined. The most significant increase was observed in Bowthorpe ward, while the largest decrease occurred in Thorpe Hamlet ward.

**Table 2 Claimant count unemployment**

	October 2024		September 2025		October 2025		Monthly change	Annual change
	Number	%	Number	%	Number	%		
<b>Bowthorpe</b>	275	4.3	290	4.5	<b>320</b>	<b>5.0</b>	+ 0.5%	+ 0.7%
<b>Catton Grove</b>	360	5.0	305	4.3	<b>340</b>	<b>4.7</b>	+ 0.4%	- 0.3%
<b>Crome</b>	375	5.3	350	5.0	<b>375</b>	<b>5.3</b>	+ 0.3%	0
<b>Eaton</b>	100	1.9	105	1.9	<b>110</b>	<b>2.0</b>	+ 0.1%	0
<b>Lakenham</b>	355	5.9	320	5.3	<b>335</b>	<b>5.6</b>	+ 0.3%	- 0.3%
<b>Mancroft</b>	465	6.4	460	6.4	<b>465</b>	<b>6.5</b>	+ 0.1%	+ 0.1%
<b>Mile Cross</b>	405	5.7	440	6.1	<b>455</b>	<b>6.3</b>	+ 0.2%	+ 0.6%
<b>Nelson</b>	220	2.8	225	2.9	<b>210</b>	<b>2.7</b>	- 0.2%	- 0.1%
<b>Sewell</b>	295	4.1	270	3.8	<b>270</b>	<b>3.8</b>	0	- 0.3%
<b>Thorpe Hamlet</b>	275	3.8	300	4.2	<b>310</b>	<b>4.4</b>	+ 0.2%	- 0.6%
<b>Town Close</b>	280	3.9	240	3.4	<b>265</b>	<b>3.7</b>	+ 0.3%	- 0.2%
<b>University</b>	315	2.4	270	2.0	<b>285</b>	<b>2.2</b>	+ 0.2%	- 0.2%
<b>Wensum</b>	420	5.2	420	5.1	<b>425</b>	<b>5.2</b>	+ 0.1%	0

Note the wide variation in ward claimant count rates across the city council area. The differential between the lowest rate (Eaton ward) and the highest rate (Mancroft ward) currently stands at 4.5 percentage points.

## **Claimant count unemployment: male/female**

In the Norwich city council area, women account for 42% of out-of-work claimants. In October, female unemployment rates in Norwich increased slightly compared to the previous month (3.4%) as did all of the other reported areas (Norfolk 2.6%, East of England 3.0% and Gt. Britain 3.5%).

Over the month, the male unemployment rate saw a marginal increase in across each of the reported areas. The male unemployment rate stands at 4.8% of working age males in Norwich; male unemployment rates are lower nationally (4.5%), in Norfolk (3.2%) and regionally (3.6%).

Since 1992, Norwich has consistently experienced higher unemployment rates for both men and women compared to Norfolk and the broader region, with trends generally aligning with national averages. The city's relatively high unemployment can be attributed to the decline of large-scale, production line manufacturing jobs and the growing dominance of the service sector.

## Housing benefit

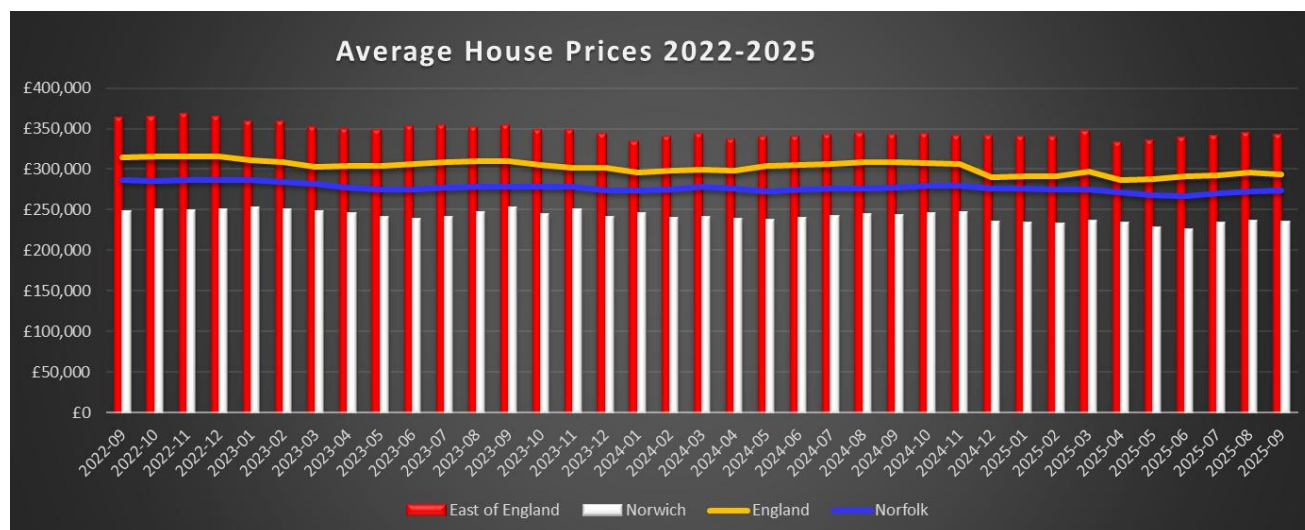
**Table 3 Norwich City Council housing benefit claimants**

	Number of claimants	Monthly change
<b>October 2024</b>	13,423	- 65
<b>November 2024</b>	13,391	- 32
<b>December 2024</b>	13,358	- 33
<b>January 2025</b>	13,339	- 19
<b>February 2025</b>	13,279	- 60
<b>March 2025</b>	13,320	- 41
<b>April 2025</b>	13,224	- 96
<b>May 2025</b>	13,246	+ 22
<b>June 2025</b>	13,255	+ 9
<b>July 2025</b>	13,263	+ 8
<b>August 2025</b>	13,258	- 5
<b>September 2025</b>	13,224	- 34
<b>October 2025</b>	13,238	+ 14

Housing benefit is an income-based support designed to assist those on low incomes with the cost of rented accommodation, whether they are employed or not. The figures for housing benefit also include individuals who are only claiming council tax benefit. A significant proportion of housing benefit claimants are pensioners, people with disabilities, carers or individuals in low-paid employment. It is important to highlight that low wage levels in Norwich contribute to the high number of people claiming housing benefit.

Table 3 shows that the number of housing benefit claimants in the Norwich local authority area grew by 14 claims in October compared to the previous month. Over the past twelve months housing benefit claims in Norwich have fallen by 1.4%. Comparable national data is not available because of a time lag in data collection.

## Average house prices



**Figure 5** 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 increased by 0.8% in Norwich; prices increased by 2.2% in Norfolk, by 2.3% in the East of England and by 2.0% nationally. Figure 5 summarises average house price movements since September 2022.

During the month of September, average house prices fell by 0.6% in Norwich, 0.6% in the East of England and by 0.8% in England as a whole. Over the same period, Norfolk bucked the trend with the price increasing by 0.6%.

The average house price in Norwich currently stands at £233,575 against £273,287 for Norfolk, £341,389 for the East of England and £293,292 for England as a whole.

## City centre vitality

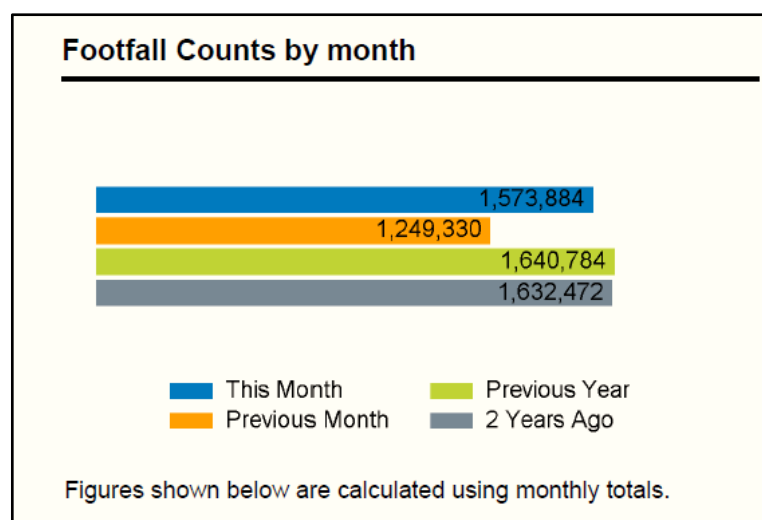
Footfall data is provided by the Norwich BID (Business Improvement District).

Monthly Footfall Counts						
	Year to date % YoY		This month % YoY		This month % MoM	
	2025	2024	2025	2024	2025	2024
Norwich	-2.8%	-2.8%	-4.1%	0.8%	0.8%	0.4%
East	-0.3%	-3.0%	0.4%	-4.4%	-7.2%	-8.7%
High Street Index - BDSU (BDSU - Comparison)	2.0%	-0.3%	1.2%	-0.2%	-3.7%	-3.5%
UK	0.5%	-1.0%	-1.0%	-1.4%	-6.1%	-4.6%

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 6 Monthly footfall counts**

The total number of visitors for the year to date is 12,049,039 which is 2.8% down on the previous year.



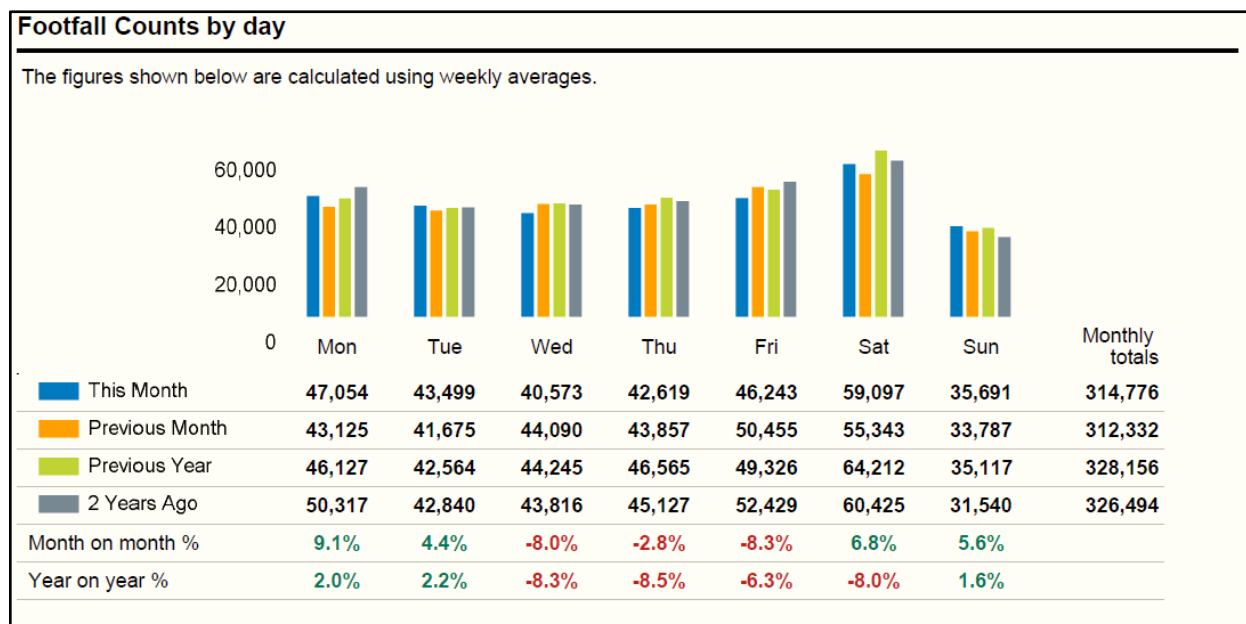
**Figure 7 Comparison of monthly footfall**

Figure 7 shows the total number of visitors to Norwich in the month beginning on 1 September 2025 was 1,573,884.

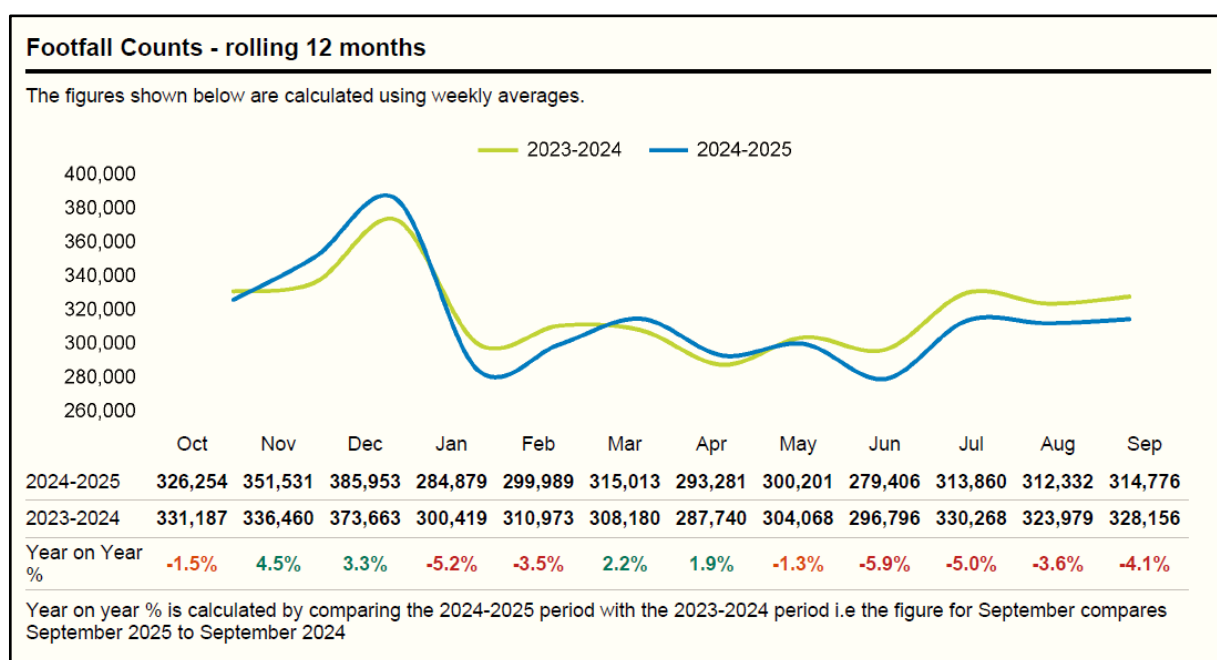
Figure 8 overleaf shows the busiest day in the month was Saturday 27 September with 62,193 visitors.

The peak hour of the month was 13:00 on Saturday 27 September 2025 with footfall of 8,266.

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**Figure 8 Footfall counts by day**



**Figure 9 Rolling 12 months footfall counts**

Figure 9 summarises rolling 12-month footfall counts since 2018. Eight of this year's monthly footfall counts are lower than for the previous 12 months.



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### **Appendix**

#### **Contact details:**

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#### **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:** House Price Index - HM Land Registry, Crown copyright

**Figure 6:** Monthly footfall counts, Norwich BID

**Figure 7:** Comparison of monthly footfall, Norwich BID

**Figure 8:** Footfall counts by day, Norwich BID

**Figure 9:** 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.

