

# Tees Valley Economic Briefing

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Tees Valley  
unlimited



This Tees Valley Economic Briefing aims to provide a brief summary of activity in the Tees Valley economy for November 2011 including statistical trends and key announcements for the month.

## Summary

November saw a slight slowdown in job gains with around 300 created this month, the majority of which were in the retail and leisure sectors. There were also stories of growth among a number of engineering firms and digital businesses.

Following Tees Valley firms receiving £40m in Regional Growth Fund grants and the preceding Enterprise Zone announcements, this month the Tees Valley Local Enterprise Partnership was given £5.6m by government for infrastructure funding ([more information here](#)).

Regionally, **Lloyds TSB's** activity index showed an increase in recruitment by North East firms, but the first slowdown in new orders for two years, while a **NECC survey** reported growth of over 50% in research and development staffing in regional businesses since 2006.

## Indicator Overview

### Reported jobs gains and losses

**Reported job gains remain healthy.** The picture regarding reported job losses and gains remains healthy. Although there were fewer reported job gains than in the last couple of months, there were still a reasonably high number, with very few job losses continuing to be reported. The net jobs figure lower than seen in the early part of the year, but far above that seen in Autumn 2010. Note that these trends can be affected by significant individual announcements, and nearby developments outside the Tees Valley (eg Hitachi Trains) are not included in the data.

### Unemployment

**Unemployment claimant remains constant.** There was little change in the Tees Valley claimant unemployment rate, whilst those in the North East and GB fell slightly. Levels across the country remain significantly above those seen in Autumn 2010.

### Vacancies

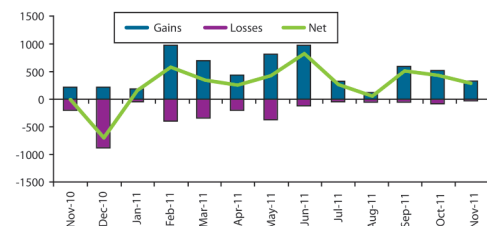
**Sharp rise in vacancies notified to Jobcentre Plus.** There was a sharp rise in the number of vacancies notified to Jobcentre Plus in October, with the Tees Valley rate becoming close to that of the North East and GB, both of which also rose. It should be noted that this is likely to be at least partially due to seasonal effects with temporary Christmas vacancies, and that the previous peak in vacancies occurred last October. However, the October figures are part of a generally rising trend during 2011.

### Earnings

ONS has released 2011 earnings data from the Annual Survey of Hours and Earnings. This shows that the average weekly income for full time employment in the Tees Valley is around 90% of the GB income, but slightly higher than that for the NE. Part Time earnings are much more consistent across the country.

**Source:** Median gross weekly earnings, workplace based data. More detailed results and residence-based data available, contact TVU for details.

## Data



Source: Tees Valley Unlimited

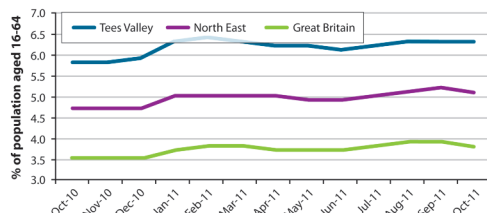
Previous Quarter



2010/2011



## Direction

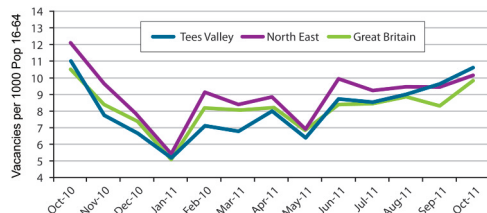


Source: Office for National Statistics

Previous Quarter



2010/2011

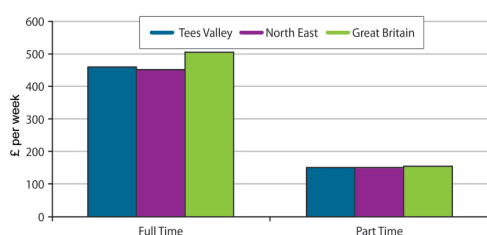


Source: Department of Work and Pensions

Previous Quarter



2010/2011



Source: ONS ASHE 2011

For further statistical information about the Tees Valley economy visit [www.teesvalleyunlimited.gov.uk](http://www.teesvalleyunlimited.gov.uk)

Reported job gains and losses are based upon announcements as reported in the press and are therefore not designed to be fully comprehensive.

## Energy & Process

**Energy Direct UK**, advisors on energy saving to businesses, is to invest over £300k in new technology at its site at Queens Meadow in Hartlepool, creating up to 6 new jobs. **Niramax**, the Hartlepool waste management firm which specialises in the recovery of waste materials, are to create 10 more jobs after opening a new site in Washington. **C-Capture**, developers of carbon capture technology, is, as reported back in June, in the process of moving its engineering operations to the Wilton Centre. It has created new jobs and this month was accepted onto the elite Carbon Trust Entrepreneurs' Fast Track programme. Also in November, **EDF Energy** revealed that Hartlepool nuclear power station had passed a series of EU stress tests put in place after the Japanese earthquake.

## Healthcare

There is potential for hundreds of job losses at **North Tees and Hartlepool NHS Foundation Trust**, who, due to budget cuts, are looking to save £40m over the next three years. The Royal College of Nursing also claimed that over 650 nursing jobs have been lost, or could go, at **Darlington and County Durham NHS Foundation Trust**.

## Apprenticeships

Positive news on apprenticeships this month with three new apprentices appointed at car parts manufacturer **Nifco** in Stockton and eight more at **Lotte Chemical**, both as part of long-term commitments by the growing companies. Property services company **Apollo** is also taking on three new apprentices in Stockton following work with charity **Five Lamps**.

## Engineering & Manufacturing

As outlined, the second round of the RGF awarded Tees Valley businesses £40m, which will create and safeguard a total of 2,700 jobs. This includes; £1.1m to **Cummins** in Darlington towards a £7.5m project to improve the quality of advanced diesel engines; £1.1m to **Darchem Engineering** to help finance a new nuclear production facility in Stockton; and £2.25m to **Able UK** to build new dry-dock gates at Seaton Port, Hartlepool.

RGF Round 1 recipient **Nifco** received further good news this month having secured a contract to supply **Honda** with parts for their new cars. So too Hartlepool's **Stadium Electronics**, manufacturers' of electronic devices, who believe they will exceed their previous profit forecasts due to increased contract gains. Also in Hartlepool, **Falcon PCB Group** is planning further expansion. The firm, which designs and makes flexible printed circuit boards, bought the former **Flex-Ability** business in the town. Another success story in Hartlepool is that of **Expert Cables**. Established in 2010 to supply electrical cables across the UK, the company has reached a turnover of £7m in its first year and aims to double that in 2012.

**SSI** is to recommence production at the former Teesside Cast Products steel site in January. The Thai firm has also awarded a £30m contract for a coal injection plant at its Redcar works to engineering firm **Siemens VAI** of Thornaby. **Enterprise Inns** has signed a deal with Stockton-based **Brunlines** to use its beer monitoring equipment in a further 500 pubs across the UK. Finally, Darlington ship fuel testing company **Lintec Testing Services** is expanding its reach to American and Singapore, making the Tees Valley operation the central contact hub for new fuel testing operations with the potential for further job growth.

## Logistics Construction & Regeneration

Rail firm **Grand Central** – which provides direct services to London from Hartlepool and Eaglescliffe – was this month bought by **Arriva**, the German owned transport firm, a deal which could result in increased services to the capital. Builders merchant **JT Atkinson** is creating new jobs by opening a site in Hartlepool and construction consultancy **Driver Project Services** in Yarm is employing more having recruited 22 new staff this year.

Disappointing news this month that **BioRegional Quintain**, developers of the Middlehaven regeneration scheme in Middlesbrough, are to end their involvement with the site. The **HCA** is working to find another developer for the site which could create over 2,000 jobs and work is underway on the new £6.8m **Middlesbrough Sixth Form College** nearby.

## Professional Services

There is the potential for up to 40 jobs to be lost at **Everything Everywhere's** contact centre in Darlington. The firm, a merger between **Orange** and **T-Mobile**, employ around 2,300 people in the town and say the redundancies are due to the integration of the two businesses. Positively, 3D design company **Animmersion**, based in Boho in Middlesbrough, is to take on new staff. In addition, **BT** is taking on more staff, particularly former armed forces personnel, to help with their roll out of super-fast broadband across Tees Valley. **RPMI**, national pension administrators based in Darlington, has purchased a firm from **E.ON UK**, continuing the growth of the business, which employs over 250 people. Also good news this month for Middlesbrough PR business **Cool Blue** which secured a number of new contracts.

## Retail & Leisure

90 jobs are being created in Darlington following the refurbishment of two hotels, while new roles are being created at an extended **JD Sports** shop in Hartlepool. 50 new jobs have been created at **Marks & Spencer** at Teesside Park following an expansion. **Exercise4less** gym opened in Thornaby with the creation of 40 new jobs, while the **Enterprise Arcade** in Stockton is looking for new businesses having had success with its first intake. Of the initial five firms, three have permanent units in the town centre, with two setting up elsewhere. Also this month the **Tees Barrage International White Water** centre re-opened after a multi-million pound makeover which will allow it to host international teams training for next year's London Olympics.