

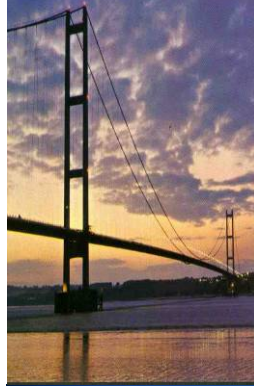


Location Review – Kingston upon Hull

Contact Centre, Shared Services and Back Office Administration
February 2003



east west locations



Introduction

The following report provides an assessment of the demographic profile, local labour market and extent of recruitment potential open to an employer locating within Kingston upon Hull and wishing to recruit to a back office administration and/or contact centre operation.

The report is further supported by...

A detailed Location Matrix containing a comprehensive set of demographic, workforce, training and skills data applicable to all sites in Hull city centre area, presented as Annex A, and

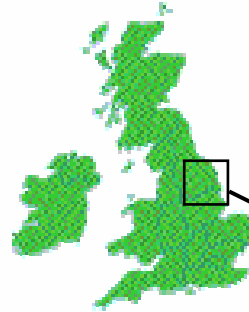
In-location surveys of the current journey to work behaviour of individuals in Hull's labour market.

The Location

Broad Sub-Regional Location:

Yorkshire and the Humber

- M62 Corridor
- Kingston upon Hull



Travel Times:

	Road	Rail
Birmingham	2 hrs 30	3 hrs
Glasgow	5 hrs	5 hrs 30
Central London	3 hrs 55	2 hrs 50
Leeds	1 hr 10	1 hr
Liverpool	2 hrs 20	3 hrs 5
Manchester	1 hr 50	2 hrs 15
Newcastle	2 hrs 50	2 hrs 45
Leeds/Bradford Airport	1 hr 40	-
Manchester Airport	2 hrs	2 hrs 45
London Heathrow	3 hrs 30	4 hrs



Demographic Profile

Key Data

■ Overall Demographics

Catchment Population (2001)	437,200
male	213,400
female	223,800
Working Age Population	277,450
Female Working Age Population	138,900

Residents within Hull city boundary (20 minute journey to work) 243,600

Population Change (1991 - 2001) +0.3%
(All urban areas -3.4%, Yorkshire & Humber 2.7%)

■ Future Working Age Population

5 to 14 year olds	58,750
% Growth (1991 - 2001)	+7.0%
% Growth Young Females only	+7.7%

Summary

- **A large self-contained catchment population of 437,200 people live within a 30 minute journey to work of Hull city centre at peak periods.**
- Hull's catchment does not compete with other large employment locations in the region.
- **The catchment is larger than many other established recruitment markets** - the Dearne Valley (411,900), Newcastle (394,700) or Sunderland (401,000) for example.
- Regionally, **Hull's catchment is 3% larger than that surrounding Thorpe Park, Leeds due to a lack of congestion** in and around the city, and almost double the size of a similar journey to work area surrounding York (227,000 people).
- **2001 Census data show the catchment experiencing population growth** since 1991, a factor not found in many urban areas of England.
- More importantly, there are now more people of working age than a decade ago, with equal numbers of men and women.

Demographic Profile (2)

Key Data

■ 16 to 19 Year Olds

Total Residents, 18 to 24	23,130
Females	11,300

■ 20 to 29 Year Olds

Total Residents, 20 to 29	52,650
Females	26,690

■ 30 to 39 Year Olds

Total Residents, 30 to 39	64,825
Females	32,690

■ Those Approaching Retirement

55 to 64 Year Olds	49,470
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■ Forecast Population (16-65)

Net change (to 2011)	9,300
Growth, % of current population	+3.3%

Summary

- **Significant growth in those aged between 5 and 14 to 2001 will feed through into a much larger and younger working age population** in Hull over the next decade as these individuals mature.
- Over the ten years to 2011, the working age group will grow by close to 1,000 people per year, boosting the working age population by 3.3% over the period.
- **The catchment has an extraordinarily large complement of those aged between 20 and 29, with more females in this age group than regional or national average.** This proportion rises higher still when considering those aged 20 to 24.
- **The relative youth of the working age is highest within the Hull city boundary, where 22.2% of all people are aged 20 to 29 (19.4% in England).**

Workforce Profile

Key Data

■ Employment Data (December '02)

Overall employees	196,690
Males	111,670
Females	85,020
Female Employees of working age	80,240
Young Employed (20 to 24 yr olds)	20,100
Females as % (Yorkshire and the Humber 47.2%)	51.3%
Employed aged 20-34 years old	61,900
Females as %	47.8%
'New Grey' Employees	5,300
% of Employees (England 3.1%, Yorkshire and the Humber 2.8%)	2.7%

Summary

- **The catchment contains a significant scaled labour pool, totalling 196,700 people** currently working and 10,350 registered unemployed..
- ..providing **a total labour pool of over 207,000 people within a 30 minute commute time of the city.**
- In comparison, similar scaled catchments include Leicester (198,100), Dearne Valley (175,600) and North Nottingham (177,800).
- 43% of the labour pool are women, with **females providing over half of the labour force in the youngest group of 20 to 24 year olds.**
- **The young employed account for one in ten employees, higher than regional or national average.** Just under one in three employees are aged between 20 and 34.
- The catchment matches regional performance in terms of the number of people working beyond retirement. In absolute terms, this provides a **'new grey' labour market of some 5,300 people.**

Workforce Profile (2)

Key Data

■ Employment by Sector

Manufacturing sector employees	41,750
Service sector employees	89,225
..females	38,225
Banking, Finance and Insurance	20,100
..females	9,700
Public Sector Administration	48,240

■ Employment by Occupation

Sales/customer service jobs	15,800
<i>dedicated customer service</i>	<1,000
Admin/secretarial jobs	24,150
Personal Services	11,000

■ Part time employees

Total employed part time	27.3%
(England 25.1%, Yorkshire and the Humber 26.6%)	

Summary

- **The service sector provides well over two thirds of all employment**, with 65% of these found in non-public sector companies – higher than regional or national averages.
- **Over two fifths (43%) of service sector employees are female, rising close to half in financial and insurance services.**
- **One in five people are currently employed in administrative, sales or customer service work.**
- There are close to 16,000 people within sales or customer service occupations (8% of all employees), with **less than 1,000 identified as dedicated customer service agents.**
- General administrative and secretarial occupations cover a further 24,000 jobs in the catchment (12% of total jobs).
- **At 27.3% the rate of part time working in the Hull catchment stands above regional average** with 53,600 people in part time positions. Four in every five residents working part time in Hull are women.

The Unemployed

Key Data

■ Unemployment Data

Unemployed (6 mths to Dec 2002)	10,355
males	7,963
females	2,392

Average Unemployment Rate 3.5%
(England 2.9%, Yorkshire and the Humber 2.9%)

Unemployed 20 to 29	3,149
females	616
Unemployed 30 to 39	2,455
females	467

■ The Hidden Labour Market

Working Age Off Labour Market	60,600
..females	35,600
Extent of hidden labour market	8,300

Summary

- **On average during the 6 months to December 2002 10,350 people were registered unemployed**, with almost one in four being women.
- **The unemployment rate varies within the catchment between 2.3% and 5.7%** in certain parts of the city. An average rate of 3.5% prevails across the catchment.
- **One in three of the catchment unemployed fall in the youngest age range of 20 to 29 year olds.**
- Over 60,000 of the local population are not yet working or seeking work, with over half being females.
- **Based on national trends, an additional 8,000 people could be attracted into the labour pool given the right package or incentives.** This is equivalent to an additional 4% of the official labour pool.

The Hull Local Economy

Key Data

■ Workforce mix

Total employed part time

of which; male	19%
female	81%

■ Local Commute Patterns

On average 45% of local employed residents (20,000 people) within a 3 km radius of the city centre travel in excess of 5 kilometres to work on a daily basis.

Source: EWL Survey December-January 2002

■ Hours of Operation

Office/Customer Service Operations

- evening and night shifts are established patterns of working in Hull's economy.
- relatively significant scaled 24-hour operations are possible in Hull city centre given adequate car parking and public transport provision.

Summary

- Hull's local economy allows a recruiter access to staff with experience in all service sector businesses, with many potential staff currently commuting to employers in both York and Leeds.
- A significant legacy of shift-based manufacturing industry allows for a service sector employer to operate over non-traditional office hours with little difficulty.
- A 24-hour operation is feasible at all Hull city centre locations, but would be largely dependent on car transport to and from work.
- Kingston Telecommunications presence in the city allows for unrivalled connectivity of most employment sites to a broadband backbone that runs throughout the city and, if required, also allows broadband access into domestic homes in the area.
- Significant investment by the BBC and Sony Ericsson among others underline the importance of Hull's connected city nature.

Skills & Education

Key Data

■ Educational Achievement

% 16-19 yr olds in education	50.9%
Proportion of pupils gaining..	
5 or more GCSEs (A* - G grades)	78.7%
(Yorkshire and the Humber 77.6%)	
Number of graduates (per annum)	4,000

■ Workforce and Resident Training

% of population in training	15.0%
..males in training	18.0%
..females in training	11.5%
Service sector emp's in training	16.3%
Employees with NVQ Level 3+	88,460
Population with NVQ Level 3+	108,180
Employees with NVQ Level 4+	41,400
Population with NVQ Level 4+	45,650

Summary

- School leaving data show results at or above regional levels, with some extremely high performing schools and colleges in parts of the catchment to the north.
- Hull University produces around 4,000 graduates per year, with particularly high numbers of language and information technology graduates among these.
- 15% of the workforce are currently undertaking job-related training, with males participating relatively more than women. The regional average stands significantly lower at 12.4%.
- Higher levels of training in the service industries can be found, with 16.3% of the workforce undertaking work related training.
- A large number of qualified individuals to NVQ level 3 or higher are not currently working, close to 20,000 people in total.

Location Costs/Availability

Key Data

■ Official Labour Pool

Total active labour pool	207,040
Female active labour pool	87,407
Service Sector labour pool	95,950
All aged 20 to 34	66,400

■ Location Costs

Property costs	low-average
Cost of staff (clerical)	£12,100 - £13,000
Salary inflation	3%, below average
Call centre agent start	£11,000
Inbound agents	£13,000
IT Support desk agent	£14,500+
Team Leader	£16,000 max.

Summary

- Reduced commute times and lack of congestion make Hull attractive through a larger geographic catchment scale, and wider choice of staff for recruitment.
- **The official labour pool is 207,040 people**, 95,950 in private service sector employment with **almost no competition from surrounding labour markets in the region.**
- **Salaries in the service sector compete extremely well with other cities in Yorkshire and the north of England.**
- No significant contact centre or shared service centre employment exists, but **indicative salaries are in the low to middle quartile of national ranges**, starting at £11,000 and extending to around £13,000 for inbound agents.
- Hourly rates do not exceed £5.75 in Hull city centre, with rates lower than this for peripheral areas.
- Other service sector employment is able to provide an adequate supply of management level contact centre staff.

Summary

Key Observations

The city of Hull offers an opportunity to locate within a large and non-competitive labour market, similar in scale and quality of staff to many large city catchments.

In total, 277,450 people of working age live within a 30 minute journey to work, of which over 70% (196,700 people) are currently employed. A particularly high proportion of the 20 to 24 year old age grouping in and around Hull are in work, with women making up over half of this group.

Forecast growth of almost 8% will yield both a larger and younger working age population of some 286,750 people by 2011.

A high level of tailored assistance is available to inward investors in Hull. Hull and East Riding Location Solutions are available to assist inward investors, and financial assistance is available towards both capital and revenue expenditures leading to job creation as Tier 2 classification for Regional Selective Assistance applies.

Annex A

EWL Location Data Outputs
data omitted from download
please contact us for
further information



Further information available from Hull Citybuild
or East West Locations Limited

www.citybuild.uk.com

www.ewlocations.com



people places property



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