

## Greater Norwich: Annual Report April 2010 - March 2011



This report primarily focuses on the Greater Norwich sub-region, but also includes data and business intelligence covering other parts of Norfolk, taking in North Norfolk, Breckland and King's Lynn. Great Yarmouth is covered by a separate report taking in Waveney

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Intelligence in these reports has been gathered from a number of sources which include:

- nomis official labour market statistics
- Job Centre Plus – Norfolk
- Land Registry house prices
- Halifax house price index
- Bidwells data books
- the EDP newspaper
- the Lynn News paper
- email updates from businesses
- word of mouth
- sector group meetings

## Introduction

This report brings together soft and hard intelligence to understand in more detail the performance of the Norfolk economy over the period April 10 to the end of March 11.

The focus of the document is on Greater Norwich, but also includes economic data for the county as a whole and also specific information relating to each district.

Great Yarmouth is covered in more detail in a separate report covering the Great Yarmouth and Waveney coastal sub-region.

More detailed analysis can be found in our quarterly and monthly reports for both Greater Norwich/Norfolk and Great Yarmouth/Waveney

## Key Indicators

Business confidence	↑
Unemployment	↓
Redundancies (notified by month)	↑
Job vacancies (notified by month)	↓
House Prices	↓

## Summary

This year has been positive for many sectors including agriculture, creative, digital, engineering and retail.

*Agriculture and food processing* saw new contracts signed, diversification, increased staff numbers, multi-million expansion promises and new products being sold to high street chains. There were however job losses as turnover decreased at one factory, and potential job losses at another factory as it looks to increase efficiency.

Despite Screen East closing and uncertainty around EPIC, *creative* businesses have been winning contracts with new European and global clients. *Digital* businesses too have seen a strong year with a new community 'Hot Source' being created, new contracts both in the UK and abroad, recruitment and new mobile applications being created. Two extreme weather systems – snow and volcanic ash - this year had different impacts for two separate businesses.

With an expansion at Hethel Engineering Centre, Lotus unveiling five new models and products being used in Formula One, *engineering* has had a strong year.

The *environmental sector* has seen a positive year with the launch of Rev Active, a scheme to help businesses cut their energy bills, a digital programme being created to improve fuel consumption and the production of new recyclable photocopier paper. In addition measures at a sugar plant have made it one of the greenest plants in the world.

*Retail* has seen companies exporting overseas and investing in their stores demonstrating their confidence in the current and future retail climate.

One sector that has had a mixed year includes *tourism*. Despite the success of the Tour of Britain and the staycation effect, Norwich being mentioned in the New York Times and a new business aviation centre being built at Norwich International Airport, the area has missed out on two opportunities to launch its profile even further. It first missed out on becoming the first City of Culture, after reaching the final four, and later in the year lost out on becoming a World Heritage Site.

A further sector suffering this financial year is the *public sector* as Norfolk County Council and district councils made people redundant in a drive to save money.

The numbers of people claiming Job Seekers Allowance is lower than last year's average by 8.54 percent, with a fall over the financial year. The percentage of claimants in Great Britain and the East of England are again both lower than the previous year.

In contrast to the lower numbers of JSA claimants, redundancies are 8 percent higher this financial year compared to last with a smaller gap between the lowest trough in June and highest peak in September. Sectors hit particularly over the course of this year are public service, construction and manufacturing. The number of public service redundancies is considerably higher than in the last financial year.

Job vacancy levels have undulated through the year with a peak in late summer/autumn. Sectors with increased vacancy levels include manufacturing and real estate.

House prices across England and Wales and in Norfolk are higher on average than last year by over £5,500, although they have been decreasing month on month over the last half of the year suggesting the fragility of the housing market recovery.

## Conclusion

Business intelligence indicates a positive year overall for the sub-region with many sectors performing well, with investments that will secure their future growth in the recovery.

Hard statistics indicate that the region is performing better than last year in terms of totals numbers of JSA claimants, job vacancies and house prices, but redundancies are higher with the recent high volumes of public sector losses.

## Trading Climate & Confidence Level Headlines

### Key Facts

**A positive year for many sectors with investments, new contracts both in the UK and abroad and new innovative applications being created. Despite the overall positive feel of the business stories this year, there continues to be some negativity with job losses and a small number of companies entering administration.**

### Agriculture & Food Processing Norfolk

Positive	Negative
Pea growers in East Anglia signed contract with Europe's biggest frozen food specialist Ardo	
Campaign to support British pork producers underway with local signs and banners	
Group of farmers risen to challenge to grow 'greener' potatoes for Walkers Crisps	

### Greater Norwich

Positive	Negative
Roger Harris Wines produced plastic wine bottles and is supplying them to M&S and has won a contract with Waitrose	Silver Fern Farms saw 64 staff made redundant due to decreases in turnover and the factory being unprofitable
Simply Halal could create up to 300 jobs by building one of the largest halal meat production operations in Europe	Colman mustard factory could see job losses as part of a £2.6m upgrade to improve efficiency and capacity
Anglia Farmers saw growth in turnover	
Naked Wines ranked fourth in Start Ups 100 list	
Virgin Wines recorded record turnover after a Christmas promotional campaign	
Kettle Foods will undergo a \$10m (£6.2m) expansion which will lead to new jobs	

### Other Areas

Positive	Negative
Bernard Matthews launch new television and PR campaign worth £10m	Co-operative set to close its Thetford frozen food distribution centre in 2012
Watercress Lane, duck producer expanding rapidly to meet demand	
Cornerways Nursery tomato producer expanding with creation of up to 150 jobs	
Hain Frozen Foods Factory saw increase of 50 staff and almost 50pc rise in gross sales	
Breckland Orchard premium soft drinks been named in HSBC Start Up Stars Awards	
2 Sisters Food Group to invest £30m in a manufacturing site creating 100 jobs	
Pinguin will see a new multi-million pound high speed freezing production line alongside other	

investments in the frozen food production site	
The English Whisky Company has produced 3,500 bottles of the William and Kate Commemorative Decanter	

### Construction Greater Norwich

Positive	Negative
May Gurney secured millions of pounds worth of new contracts	Job losses at RG Carter due to shortage of work and fall in pre-tax profits
More than \$40m of work was contracted to local companies through Build Norfolk network in 12 months	

### Creative Norfolk

Positive	Negative
	Screen East no longer operational due to financial difficulties
	Arts Council England reduce funding for some events and organisations

### Greater Norwich

Positive	Negative
Many businesses winning contracts, increasing profits and taking on more staff	Future of television and enterprise hub Epic remains unclear after owner Norfolk County Council said it was exploring every option including its sale.
Shorthose Russell marketing agency won contract with £500m turnover Vestey Food Group	
Mediapro won contract with Europe's largest publishing house	
Brand Experience marketing agency won contract with £1bn turnover global firm Kiln	

### Digital Norfolk

Positive	Negative
Hot Source – a new digital 'community' has been established	

### Greater Norwich

Positive	Negative
DataDrum marketing firm gained 40 new clients over 12 months	
Further online marketing won contract with Japanese car brand Mazda	
Ipatter, a business networking-based website launched, and is looking to expand overseas to Australia and the USA	
JMS Group recruiting new staff after creating state-of-the-art HD studios.	
Fission IT Ltd created an iPhone/iPad/Ipod app uSpell:EVolve which was listed number one in the iTunes 'hot' listing for word games	
Service Tick customer feedback company has won its first contract in the USA	
Food Contents & Allergies has exclusive agreement with Sainsburys after	

creating phone app to scan barcodes in supermarkets alerting users of any ingredients dangerous for them.	
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**Other Areas**

Positive	Negative
Swains Plc opened new larger headquarters with option to employ more staff	Economy Car Hire lost £500,000 due to cancellations and refunds caused by volcanic ash from Iceland
Liftshare launched new website ShareMy4x4.com to help commuters hit by snowy weather	

**Energy**

**Greater Norwich**

Positive	Negative
Acteon ranked in Sunday Times PricewaterhouseCoopers Profit Track 100	
EV opened new offices in Aberdeen and Louisiana to provide pioneering cameras for use in oil and gas industry after securing investment	
Windcrop provide turbines for farmers land has secured orders worth £3m	

**Other Areas**

Positive	Negative
Baird Gas Storage Project at Bacton given planning onshore permission	
Renewegen created the Sea-Spider a prototype tidal generator which can harness tidal currents	
Wind turbines have been installed at the Sheringham Shoal offshore windfarm creating jobs in Norfolk	

**Engineering**

**Greater Norwich**

Positive	Negative
£2.4m extension at Hethel Engineering Centre	KLM UK Engineering announced cost reduction programme with possible job losses
Mussett Engineering and Composites produced metal and carbon fibre components for at least four Formula One teams	
Lotus created 'green' black cabs which have zero emissions and announced the creation of five new models.	
Broom Boats recovered months after entering liquidation	

**Other Areas**

Positive	Negative
Nuttall John Martin civil engineers won contract to reconstruct the base of the Needles Lighthouse on the Isle of Wight	
Watermist set up by Fireworks Fire Protection and Warren Services to protect archive files	
Cooper Roller Bearing secured £256,000 government grant to help drive development of next generation of offshore wind technology	

## Environmental Norfolk

Positive	Negative
Rev Active launched which will benefit over 1,000 businesses by helping cut their energy bills	
Norfolk's natural environment worth more than £900m a year to the county including value of visitors and drinking water	

## Greater Norwich

Positive	Negative
P1 Technology Partners produced Fleet Metrik software to help improve fuel consumption for businesses	
Office2office launched photocopier paper that can be recycled over and over again and used repeatedly by the same firm after treatment	

## Other Areas

Positive	Negative
A £8.5m investment at Wissington sugar processing plant will make it one of the greenest plants in the world by capturing CO2 produced by the refining process	

## Financial & Professional Greater Norwich

Positive	Negative
Tax Assist Accountants set for rapid expansion after announcing plans to launch operations in Canada and the USA, followed by Australia and New Zealand.	Targetfollow subsidiaries Targetfollow Property Holdings and Targetfollow Property Investment went into administration
Aviva joined business secretary Vince Cable as part of a UK business delegation to Russia to promote trade	
Virgin Money set to open four high street bank branches in 2011 including Norwich	Virgin Money lost out on buying RBS high street branches

## Other Areas

Positive	Negative
Adrian Flux created up to 150 jobs as part of its expansion	

## Health & Life Sciences Greater Norwich

Positive	Negative
Intelligent Fingerprinting found a way to identify illegal drug use through a simple fingerprint test	
Global research community ranked the Norwich Research Park first in league table of more than 88,000 institutions in terms of original research reports and review articles	
NRP Innovation Centre opened at the Norwich Research Park	
Several important research findings by the NRP this year	
Anglia DNA released DIY assuredna test in Boots stores	
Norwich Research Park has secured £26m in the 2011 Budget	

## Manufacturing Greater Norwich

Positive	Negative
Sinclair International are making automated fruit softness testing machines and leasing them to firms in a range of countries	Aspen Windows closed due to poor economic climate
Bayer chemical experts to invest £10m in redevelopment of its base in the city	Jeyes Group moved their head office to Cambridge after deeming offices in Norfolk unsuitable
FL Plastics invested more than £250,000 in machinery to boost production by 15-20pc	
Impress UK will see its tins used to sell paint which has been designed to reflect colours used in National Trust properties	
Oaklaire invested £65,000 in new machinery to boost production of vacuum formed trays by 50pc	
Orchard Toys increasing factory space by 50pc	
Polyprint is set to expand into food packaging sector	

## Other Areas

Positive	Negative
Exheat produce electric process heaters has been ranked in Sunday Times PricewaterhouseCoopers Profit Track 100	GPC Packaging gone into administration with loss of 95 jobs after fire at the premises and high raw material prices
Palm Paper has officially opened and is ahead of production level predictions	Hanman Green conservatory, window and door company went into administration with six job losses
Multi Fab opened a new £1.5m factory to expand production of sheet metal products to meet demand	Partner Tech has seen 40 job losses as part of restructuring plan to become more cost effective
Sealskinz secured deal with Australian military to provide them with 22,500 pairs of waterproof socks	
Trend Marine invested £500,000 in new machinery allowing it to produce large complex sections of glass for luxury super yachts	

## Retail Greater Norwich

Positive	Negative
Norwich ranked 10 <sup>th</sup> in an annual survey of UK's retail destinations with expenditure of £1,180m	Bennetts has gone into administration.
SoulPad camping company seen boost in sales thanks to staycationers	
All the Woolworths stores in Norfolk have been filled with new stores, bucking the national trend of 300 stores remaining empty	
Mattressman launched 10 new online retail	

stores and seen steep growth in trade, and is looking to open five new outlets across England	
Start-rite Shoes is set to begin exporting to China and the Middle East	
John Lewis investing £7m in Norwich store increasing floor space by 10-12pc	
Hughes Electrical has completed the acquisition of six Bennetts stores	

#### Other Areas

Positive	Negative
Primark opened in King's Lynn creating 150 jobs	

#### Tourism Norfolk

Positive	Negative
Tour of Britain went through Norfolk and will return in 2011	
Norfolk and Norwich Festival audiences surged by nearly 400pc following the introduction of more free events	

#### Greater Norwich

Positive	Negative
SaxonAir expanded its fleet and opened up a base in Edinburgh, in addition to building a £6m business aviation centre which will be used in the 2012 Olympics	Norwich lost out on becoming the UK's first city of culture after being in the final four shortlisted
New York Times hailed Norwich as a getaway for book lovers	Feared toll rises on the Broads for 2011 will drive more boat owners off the waterway
The Broads became one of four of Visit England's 'Pathfinder' destinations	The Broads will not become a World Heritage Site
	Passenger numbers fell at Norwich International Airport and job losses were made as part of restructuring
	Broad House boutique hotel went in to administration with loss of 36 jobs

#### Other Areas

Positive	Negative
Cromer and Sheringham Crab & Lobster Festival hailed a success	Links Country Park gone into administration
Coasthopper bus service from King's Lynn to Cromer seen usage double in two years thanks to surge in tourists flocking to Norfolk	

#### Other Greater Norwich

Positive	Negative
CVS veterinary group acquired several rival practices	Connaught entered administration with loss of 300 jobs
Norse Group won and retained numerous contracts	
Samurai Sportswear signed oversea contracts	

in Australia, New Zealand, Italy and Japan	
Rent Your Rocks ranked in Start-Ups 100 list	

## Other information

### **Norfolk**

New Anglia, Local Enterprise for Norfolk and Suffolk established.

A11 dualling given the go ahead after long campaign.

Job losses at Norfolk County Council as part of a package of cuts to save money.

Business Link, the regional support service, is to close in November 2011. It will become a national web-based service and contact centre.

### **Greater Norwich**

Job losses at City College Norwich due to a shortfall over the next three years.

UEA ranked 174<sup>th</sup> in the worlds top 200 universities in the Times Higher Education rankings making it 'truly world class'.

Norwich won an award at the annual UN-backed International Awards for Liveable Communities. The city was judged as one of the worlds most liveable communities in the population category of up to 200,000 people.

The joint core strategy produced by the Greater Norwich Development Partnership has been agreed by Broadland, South Norfolk and Norwich City Councils. It will now act as a framework against which future planning applications can be assessed.

### **Other Areas**

King's Lynn & West Norfolk Borough councillors have approved both the development of a Sainsburys and Tesco store on the Hardwick roundabout, safeguarding jobs at the Penguin site.

Job losses at King's Lynn & West Norfolk Borough Council as part of £5m package of cuts.

Uncertainty over the future of RAF Marham due to a cut in the military budget.

Management job losses at Breckland Council after merging with partner authority South Holland District Council.

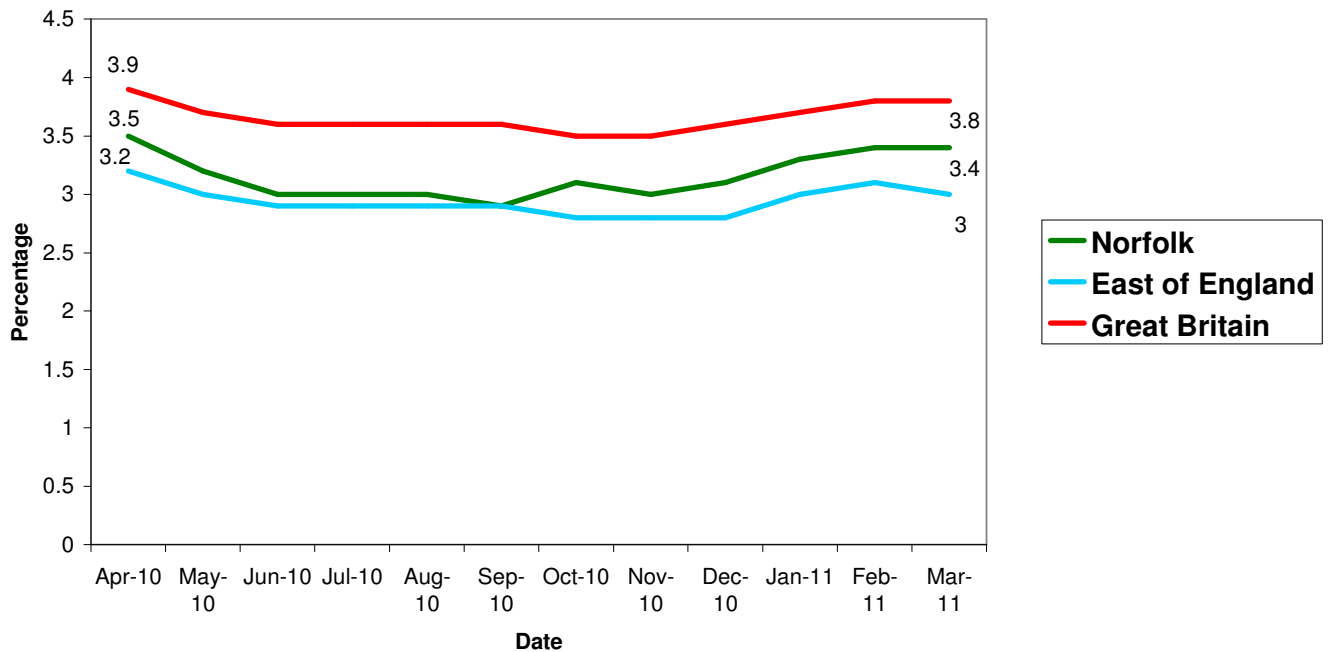
## Unemployment

### Key Facts

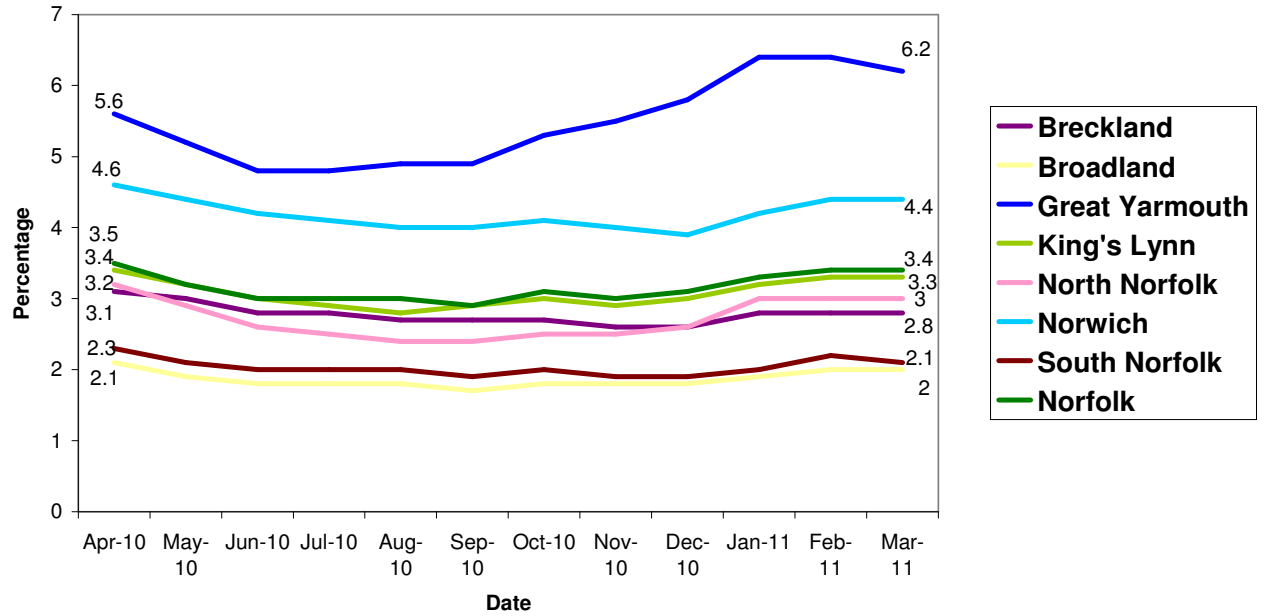
Norfolk saw an average of 16,750 people claiming JSA this financial year, with a fall of 554 people, 3% between April 2010 and March 2011. This figure is 8.54% lower than last year's average.

The percentage of people claiming in Great Britain has decreased from 3.9% to 3.8% during the year with a low of 3.5, high of 4 and average of 3.69, while the East of England has decreased from 3.2% to 3% with a low of 2.8%, high of 3.2% and average of 2.94%.

## All people claiming JSA



## All people claiming JSA



Source: Job Centre Plus

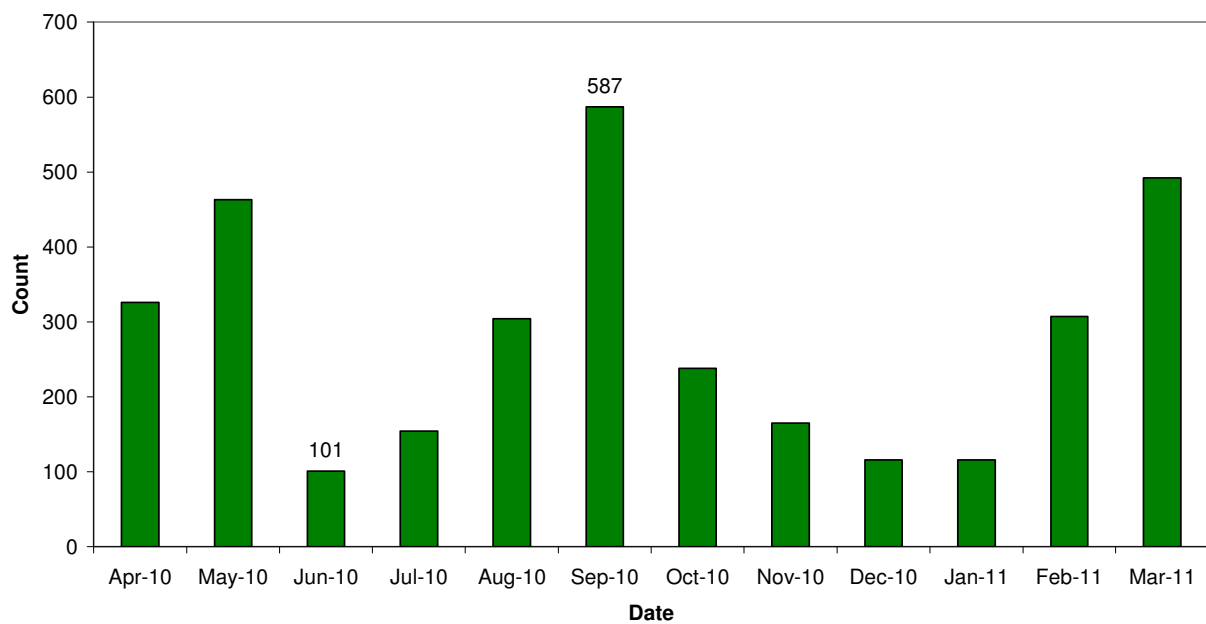
## Redundancies

### Key Facts

**Between April 2010 and March 2011 there have been 3,369 redundancies, 250 more than in the last year, an 8 percent increase. The highest peak was in September (360 lower than last years peak) and the lowest in June (61 higher than last years) – a difference of 486 notifications.**

*Source: Job Centre Plus*

## Norfolk redundancy notifications

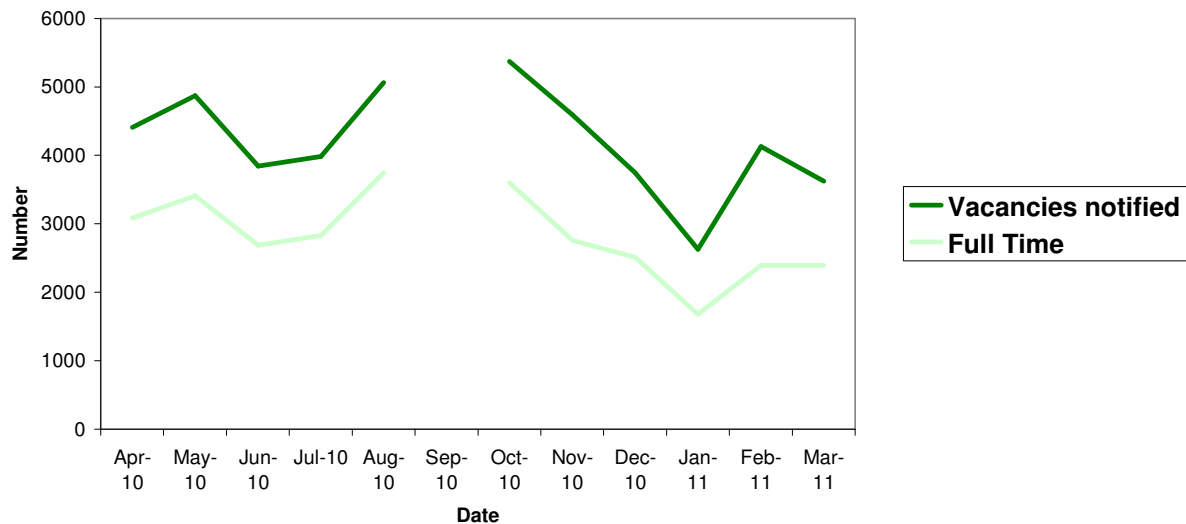


## Job Vacancies

### Key Facts

Job vacancies notified to Job Centre Plus demonstrate similar seasonal patterns as last year, but the main peak occurred slightly later and was higher (October 5,371). In total 46,247 jobs were notified, 2,484 more than last year, a 5.68% increase. The low again was in January 2011, which could be attributed to the loss of temporary Christmas jobs and the bad weather halting recruitment.

## Job Vacancies notified to Norfolk Job Centre Plus



Data unavailable for September

### Norfolk vacancies notified by broad industrial categories

Industry	April 2010	March 11	% change
Agriculture, hunting and forestry	26	21	-19.23
Manufacturing	94	186	97.87
Electricity, gas and water supply	25	60	140
Construction	138	91	-34.06
Wholesale and retail trade	487	407	-16.43
Hotels and restaurants	366	261	-28.69
Transport, storage and communication	62	62	-
Financial intermediation	171	61	-64.33
Real estate, renting and business activities	1525	1644	7.80
Public administration/defence/compulsory social security	159	200	25.79
Education	66	78	18.18
Health and social work	379	263	-30.61
Other community, social and personal service activities	894	152	-83
Column Total	<b>4,392</b>	<b>3486</b>	<b>-20.63</b>

## Housing

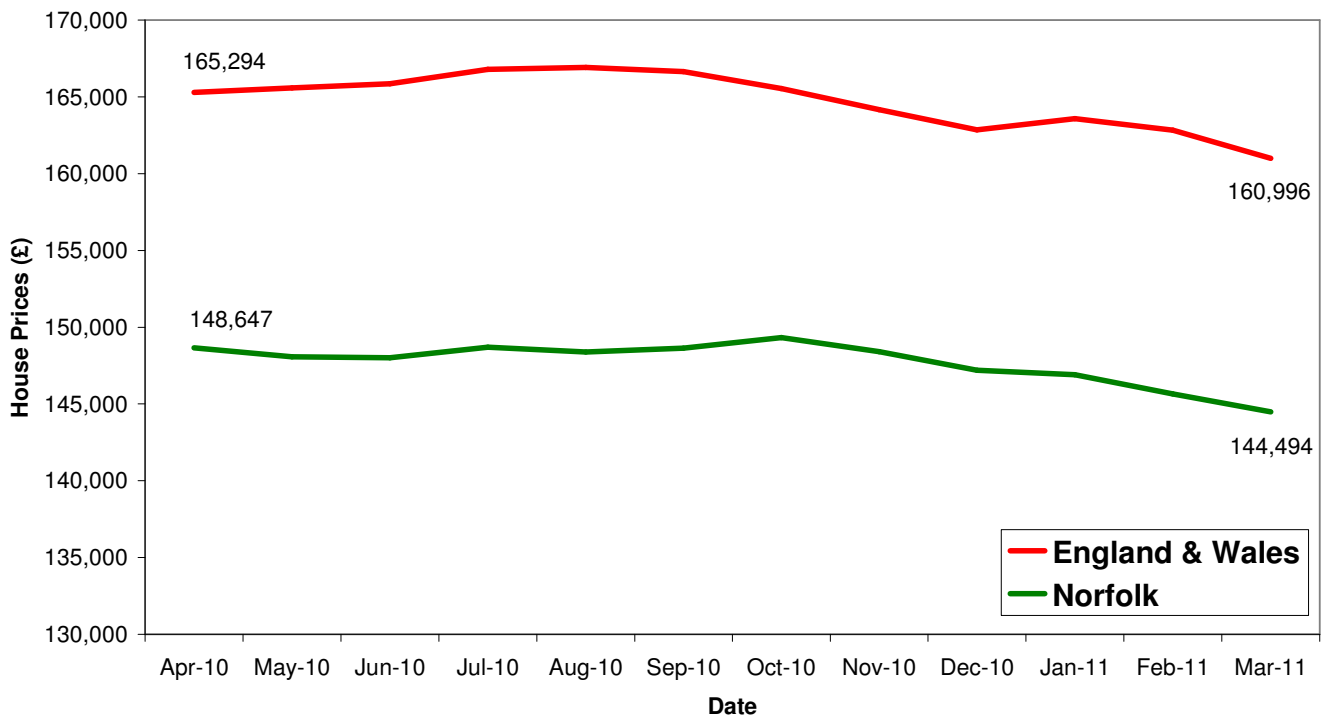
### Key Facts

**UK house prices have averaged £164,755.42 in this financial year with a fall in prices of 2.6% between over the year**

**Norfolk house prices have averaged £147,703.33 with a fall in prices of 2.79% over the year**

*Source: Land Registry, Crown Copyright*

## House Price Trends



*Source: Land Registry, Crown copyright*