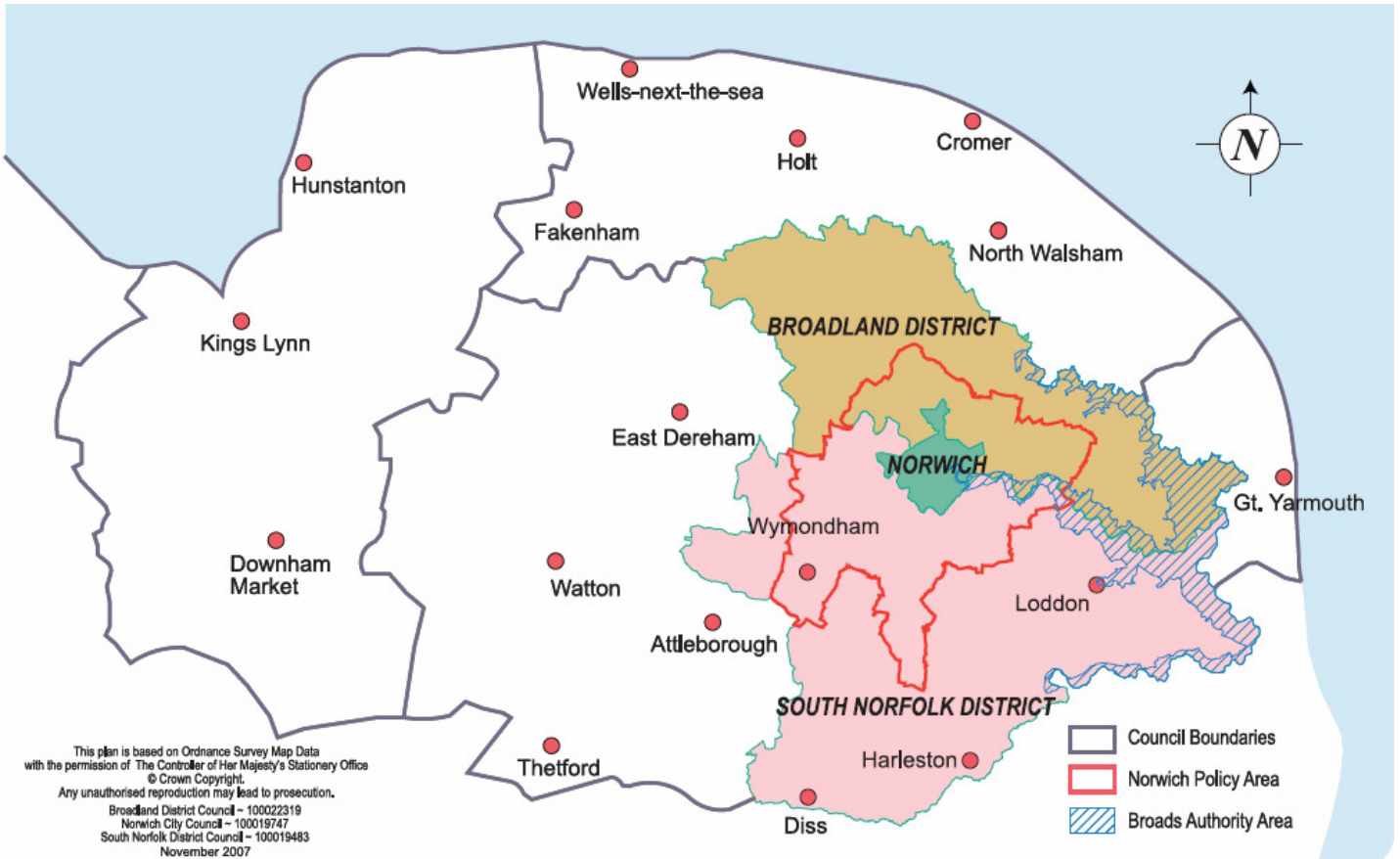


Greater Norwich December 2010



Please note that this report concentrates on Greater Norwich but includes information relevant to all of the districts of Norfolk
 Information is taken from local news sources in addition to word of mouth. Where names of businesses are not included, this indicates sensitivity, and/or the business wishing to remain anonymous

Summary

Business confidence	↑
Unemployment	↑
Redundancies	↓
Notified vacancies to Job Centre Plus	↓
House Prices	↓

December has been a month of success for many businesses with increases in sales, new contracts, expansion and diversity at Virgin Wines, May Gurney, Virgin Money, Porvair, EV who are looking to expand globally after securing new investment, Eco Fence & Doors who have secured £500,000 in the first 10 months of trading and CVS veterinary group who continued to acquire rivals.

New technology and products have emerged this month with Food Contents & Allergies signing an exclusive agreement with Sainsbury's to run their mobile phone service to make shopping easier and safer for people with food allergies; researchers led by the University of East Anglia have developed a new kind of endoscope to aid the early detection and diagnosis of inflammatory bowel disease; and U Drink I Drive is a new business launched to take customers home in their own car if they've enjoyed an unplanned few drinks without arranging transport home.

Local councils, including South Norfolk, Great Yarmouth and Breckland are looking to save money either by sharing services or cutting and sharing managers, while Norfolk County Council is considering sharing road repairs and the provision of public transport services with neighbouring Suffolk County Council.

The number of people claiming Job Seeker Allowance rose this month by 258, the highest count since April 2010. However, the figure for December is 3,668 less than the peak figure reached in February 2010 of 19,920.

Redundancies have decreased this month in Norfolk by almost a third, however over the course of 2010, redundancies have increased by 50 percent. As expected with recent announcements public service accounted for the highest proportion of redundancies this month.

Job vacancies were down in December compared to November, but this is logical as October and November are typically the months when Christmas staff are hired.

House prices have decreased this month by almost £1,000 after a slight rise last month. House prices have been volatile throughout 2010 perhaps indicating the uncertainty of buying at a time when job security is low across many sectors.

Conclusion

As stories continue to emerge of job losses in the public sector, the slow down after Christmas and the VAT rise impacting on retail, it would be expected that those claiming JSA will rise in parallel to redundancies.

Trading Climate & Confidence Levels

Key Facts

With the lead up to Christmas retailer John Lewis saw sales rise as did Virgin Wines in their Christmas promotion. Elsewhere contracts continue to be won with expansions and diversification as Virgin Money announce they are to open their own chain of high-street banks. This month saw the announcement that Jeyes headquarters would be moving to Cambridge and Group Lotus have threatened they would shift production to Europe if they are unsuccessful in their regional growth fund bid.

Agriculture & Food Processing Greater Norwich

Positive	Negative
English Whisky Company, Thetford – is prepared for Christmas after the first 500 bottles of Chapter 6 single malt flew off the shelves within three hours last year.	Samphire, based at Blickling Hall, near Aylsham – award winning and successful specialist food shop – will close its doors in January after five and a half year after the National Trust decided not to renew its lease. Samphire's satellite shop which opened in Wymondham in September last year will close Christmas Eve because it would not be viable to keep it running alone. The closures will lead to the loss of five jobs and will affect between 100 and 150 Norfolk suppliers.
Virgin Wines, Norwich – wine dealer – sales over the first three weeks of December were up by more than 9 percent on last year following the conclusion of the firm's 12 days of Christmas promotional campaign. The campaign saw the company sell 12,000 cases and helped achieve record turnover of more than £2m last week.	

**Construction
Norwich**

Positive	Negative
<p>May Gurney, Trowse – has seen a 21pc increase in sales - £49.8m to £288.9m in the six months to September 30. Driven partly by good performance in the local authority highway sector on the back of a severe winter and an accelerated delivery of rail sector contracts.</p> <p>The company has also been named preferred bidder for three new long term highways maintenance contracts for Surrey County Council, with a combined value of up to £93m. The company this month has also announced a new maintenance contract worth up to £62m with Severn Trent Water – Severn's Sewerage Services East Region.</p>	<p>More than 40 jobs are at risk at May Gurney after the closure of the firm's piling and fencing operations was confirmed. May Gurney Geotechnical, based in Wymondham, would be shut with 28 jobs at risk, while the manufacture and installation of fencing, barriers and railings at Trowse would see 15 jobs at risk.</p>

**Creative
Greater Norwich**

Positive	Negative
<p>Plain Speaking PR, Norwich – PR agency – has moved new offices and taken on an additional member of staff with an aim to turnover more than £140,000 at the end of 2010/11 financial year</p>	
<p>The Norwich Playhouse has celebrated its 15th anniversary.</p>	

Other Areas

Positive	Negative
<p>The friend's of King's Lynn Arts Centre have put forward sustainable proposals to oppose the loss of the venue in the town after the council announced its closure as part of cost-cutting measures.</p>	

**Digital
Greater Norwich**

Positive	Negative
<p>Food Contents & Allergies, Wymondham – a pioneering mobile phone service to make shopping easier and safer for people with food allergies – has signed an exclusive agreement with Sainsbury's. The Food Angel software allows shoppers with smartphones with autofocus cameras to scan the barcodes of any product in the store, within four to six seconds they will receive an alert to their phone warning of the presence of ingredients that may be dangerous for them. Those with less technical phones can enter the barcode and send via text or over the internet.</p>	

**Energy
Greater Norwich**

Positive	Negative
<p>Calls for the government to back the establishment of a university technical college in Norwich to help the East Anglian energy industry avoid a 'skills gap' were made in the Commons this month.</p>	
<p>EV, Norwich – develop pioneering cameras for use in the oil and gas industry</p>	

– has embarked on a global expansion after securing new investment. The company opened up new offices in Aberdeen and Louisiana enabling the company to offer services in Scotland and the Gulf of Mexico. Norwich will remain as the company's research and development base, which is set to benefit from significant new investment to develop new products.	
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**Engineering
Greater Norwich**

Positive	Negative
FenderCare Marine Solutions, near Loddon – marine services firm – has confirmed proposals for a multi-million-pound service and supply site for a £31bn wave and tidal energy project in Orkney. The base, which will be operational by March 2011, will offer support for marine energy operations on the islands.	
Lotus, Hethel – has confirmed production would shift to Europe if an application for a £40m to expand from the Regional Growth Fund is turned down.	

**Environmental
Norfolk**

Positive	Negative
Plans for Norfolk County Council to set up a company to produce renewable energy have moved a step closer after county council leader Derrick Murphy agreed to set up a working group which would carry out a feasibility study.	Hopes of developing small-scale recycling schemes to tackle Norfolk's waste mountain appear to have been dashed with moves to sign new landfill contracts and export waste to Kent and Cambridgeshire. This is to cover the period before an incinerator comes into use in 2015.

**Financial & Professional
Greater Norwich**

Positive	Negative
Targetfollow, Norwich- property firm – has been reappointed to manage its former portfolio of buildings by administrators while buyers are sought. Targetfollow Estates was unaffected by administration that affected Targetfollow subsidiaries Targetfollow Property Holdings and Targetfollow Property Investment in October.	The Norwich and Peterborough Building Society could be taken over. Talks are rumoured to have taken place with mortgage lender Coventry Building Society and mutual lenders Yorkshire and Nationwide.
Virgin Money, Norwich – financial services group – is set to open four high-street bank branches in 2011 in Norwich, London, Manchester and Edinburgh. The use of online social networks would be part of Virgin Money's new banking offer.	

**Health & Life Sciences
Greater Norwich**

Positive	Negative
An international team of researchers led by the University of East Anglia (UEA) have developed a new kind of endoscope to aid the early detection and diagnosis of inflammatory bowel disease – the Confocal Laser	

Endomicroscope (CLE).	
UEA cancer research experts have added their names to an urgent appeal to business secretary Vince Cable ahead of his expected release of government funding for teaching and research in English universities for the coming year.	

Manufacturing

Norfolk

The Chartered Institute of Purchasing & Supply's (CIPS) activity index – where a reading over 50 indicates growth – jumped to 58, up from September's 10-month low of 53.5 and October's 55.4. Employment rose at its quickest pace rate since the survey began in 1992 as a result of stronger demand led by new export orders. Companies' order books are also looking strong, offering hope that the growth will continue.

Greater Norwich

Positive	Negative
P&R Hydraulics, Norwich – parts for hydraulics systems – is set for 15pc growth after an upturn in orders for replacement parts for grass and hedge cutting equipment. The company is due to expand taking on additional floor space for its manufacturing and repair operations, and the firm recently took on a seventh member of staff	Jeyes Group, Thetford – household cleaning products firm – is moving its head office to near Cambridge because its current offices were not fit for purpose and having looked in Norwich Cambridge was deemed most suitable. However, the firm has confirmed investment in the Thetford site, meaning more job opportunities, as the research and development would remain in the town.
Group Lotus will compete against Hingham's Team Lotus at next year's Formula One after agreeing to sign a seven-year deal, believed to be worth £100m, to buy a "major" stake in one of the sport's teams, Renault.	
Eco Fence & Doors, Rackheath Industrial Estate – make fencing and garden furniture from recycled polystyrene, sourced from items including plastic cups and packaging for electrical goods – has secured more than £500,000 in its first 10 months of trading. The company also produce a range of glass fibre signs.	

Other Areas

Positive	Negative
Porvair, King's Lynn- specialist filtration and environmental technologies group – expect revenues for the year ended November 30 will be 15pc higher than in the previous year	

Retail

The high street has enjoyed its strongest sales growth in eight years as shoppers look to beat January's VAT rise, the CBI reported. A balance of 56pc of retailers said volumes were stronger than a year ago in early December, contributing to the survey's highest reading since April 2002 and the sixth strongest month in a row. However retailers are braced for slower growth from next month when a balance of 35pc expect sales to be higher than a year ago, compared with 52pc last month.

Greater Norwich

Norwich's Chapelfield shopping centre could fall under US ownership (Simon Property Group) after a deadline was set for possible takeover of its parent company (Capital Shopping Centres).

Positive	Negative
John Lewis, Norwich – department store - had its best pre-Christmas Saturday trading for eight years. Nationally the store saw one of its biggest trading days taking nearly £21m. The firm's online sales also saw record weekly sales at £23.97m, a 47pc increase on the same week last year. It is the first time the online operation has crossed the £20m mark for a week.	
South Norfolk district councillors have announced free parking on key shopping days in the run up to Christmas to help independent retailers in the district.	

Tourism

Norfolk

Norfolk County Council is urging businesses to help pay for the return of the Tour of Britain to Norfolk next year. With NCC having to make cuts it cannot afford to contribute so much money again.

Greater Norwich

Positive	Negative
Plans have been unveiled for a major new beer festival in Norwich next summer running from May until early June with the hope of attracting people from across the country and beyond to sample the best beer Norfolk and Norwich has to offer. There has been an idea floated round to make Norwich the UK City of Ale.	As mentioned in last month's report, Norwich International Airport has seen job losses. It has been confirmed eight jobs have been lost from the airport's management structure, with one senior management role lost.

Other Areas

Positive	Negative
The Future's Tourism, North Norfolk – saw more than 60 delegates agree that the area needs to promote itself in terms of tourism with the increase in staycations.	
The administrators of pub and hotel chain Maypole Group have said they hope to conclude a sale of the business in the "near future" after receiving interest from nearly 20 potential buyers. Properties include the Lifeboat Inn and Old Coach House in north Norfolk.	
The RAF Air Defence Radar Museum, Neatishead – is to reopen after it was forced to close suddenly after failing a fire safety inspection in August.	

Other

Greater Norwich

Positive	Negative
The Harleston Jobs Club - formed last summer and given support and advice to more than 150 unemployed people, almost a third of whom have since found work - has received funding that will keep it going for another year. The grant comes from the May Gurney Fund, administered by the Norfolk Community Foundation.	
Norfolk Tower has been refurbished and two established firms are set to move in. The developers are tailoring each individual floor to the needs and specifications of the tenants	
A Harleston pub which closed in September after 70 years of trading could be	

turned into a new Tesco store.	
CVS, Diss – veterinary practice group – 2009/10 sales saw a significant increase to £85.5m despite tough trading conditions. In its year to June the firm bought 41 surgeries and a laboratory, taking its total number of surgeries to 211 and six laboratories. It also launched an online dispensary and pet shop in July. However, uncertainty in the economy had affected the business with consumers looking to make savings.	

Other Areas

Positive	Negative
Flagship Housing association- owns and manages 22,000 homes across the region through its three subsidiaries including King's Lynn – is looking to create a merger to save £1m a year by combining resources under the control of a single board to reduce duplication of expenditure.	
U Drink I Drive, Dereham – new business launched to take customers home in their own car if they've enjoyed an unplanned few drinks without arranging transport home. It is based on a similar model operating in America.	
TMO Traffic, Downham Market – traffic control and management service – is looking to strengthen its service in the region by providing the service to councils with an aim to turnover £1m in its first year	
Jack Richards & Son, Fakenham – haulage firm – saw a 12pc increase in turnover to £23.4m in the year to May 31, driven by new and ongoing contracts. But recessionary factors and pressures on pricing resulted in a 21pc dip in profits before tax over the period to £478,000. To help improve efficiency the company has invested in tracking technology through local P1 Technology Partners.	

Other Information

Norfolk

Outset Norfolk - a new programme launched aiming to increase the number of start-up businesses in Norfolk. Funded by Norfolk County Council and the East of England Development Agency (EEDA), the programme is looking to help more than 500 people across the county to learn more about enterprise and support them to establish firms through coaching. The scheme will then help connect the businesses to training providers and Business Link.

Understanding Finance - a free scheme funded by EEDA, aimed at helping companies identify the right source of finance has reached a major milestone by helping about 400 firms in the region raise £1m.

Road repairs and the provision of public transport services in Norfolk and Suffolk could be carried out by a single team. Discussions are taking place between the two counties as they look to reduce funding gaps and as the New Anglia Local Enterprise Partnership bid between the two counties is approved.

There are fears that a proposal to cut college transport subsidies could disadvantage those students in rural areas.

Eric Pickles, communities secretary, announced this month the plan to slash £6.5bn from local government funding which could mean that Norfolk County Council and local district councils will need to find more ways to save money. But he added that no council would suffer a reduction in its totals pending power of more than 8.9pc next year or 2012/13, once receipts from council tax and NHS support for social care is taken into account. The average reduction in spending power would be 4.4pc.

Government funding for local road schemes in Norfolk is to be cut by around £9m next year. County Hall believes the cuts equate to a loss of “buying power” of between 50pc and 60pc since 2004 and will mean less money to spend on structural maintenance and improvements.

Greater Norwich

South Norfolk District Council and Great Yarmouth Borough Council have engaged in early talks to discuss the possibility of sharing services which would see a sharing of staff between the largely rural district and seaside borough.

Other Areas

Breckland Council – has unveiled that £700,000 will be saved by halving the number of managers at the council and its partner authority South Holland District Council. The two authorities currently have 37 managers but they are to share senior staff and a review is being carried out which will mean there will be a total of only 17-20 managers.

The council is also considering to freeze the amount councillors are paid.

January Headlines

The Co-operative is to close its Thetford frozen food distribution centre next year after reviewing its distribution arrangements following the acquisition of Somerfield supermarket chain in 2009. The depot currently employs 90 people and redundancies are expected.

Mediapro, Norwich – media training company – has won a contract with Reed Business Information, Europe’s largest publishing house.

Windcrop, Honingham Thorpe – provide 15metre high five-kilowatt turbines which can be placed on farmers’ land, generating cheap renewable electricity – is set to grow after securing orders worth £3m.

Renewegen, Hunstanton – new company formed to market the Sea-Spider – a prototype tidal generator which can harness tidal currents.

John Lewis has announced a £7m overhaul of the Norwich store in a vote of confidence in the region’s retail economy.

Unemployment

Key Facts

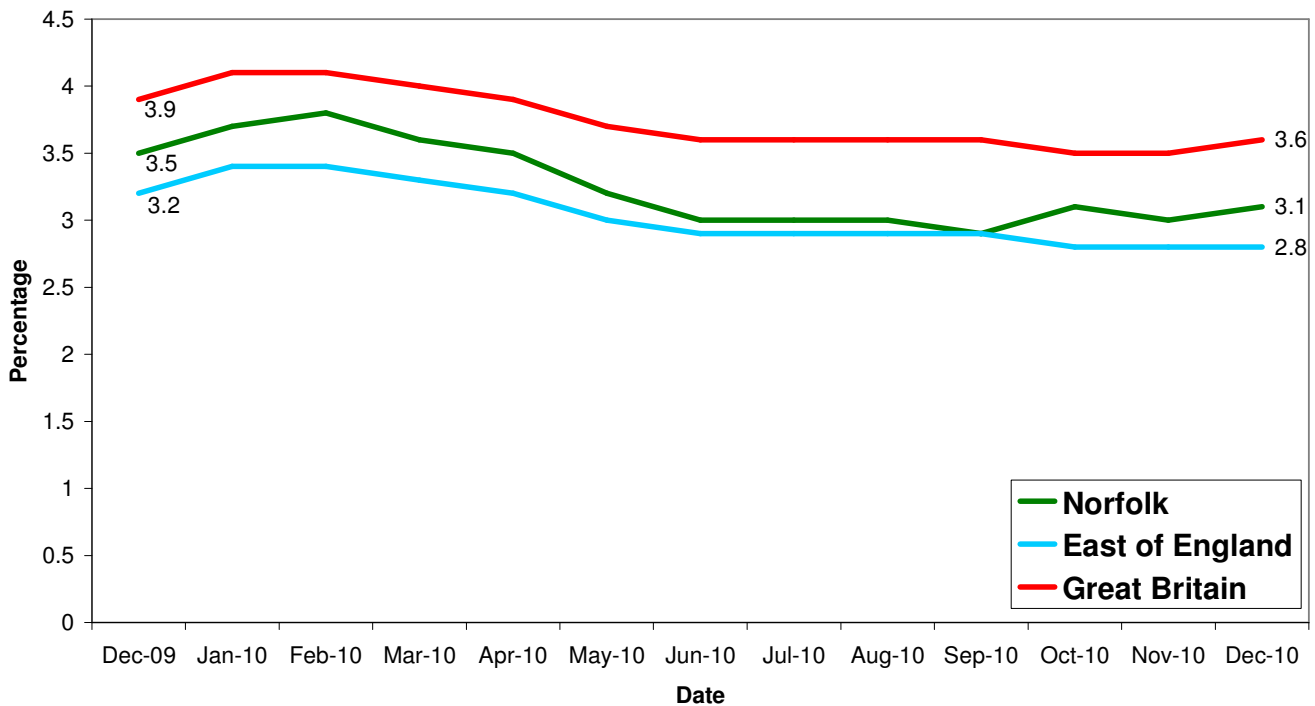
Norfolk JSA claimant count was 16,252 in December, up 258 or 1.61% since November 2010 but down by 2,219 on the year, an 11.6% decrease since December 2009.

This is the highest unemployment level for the county in eight months.

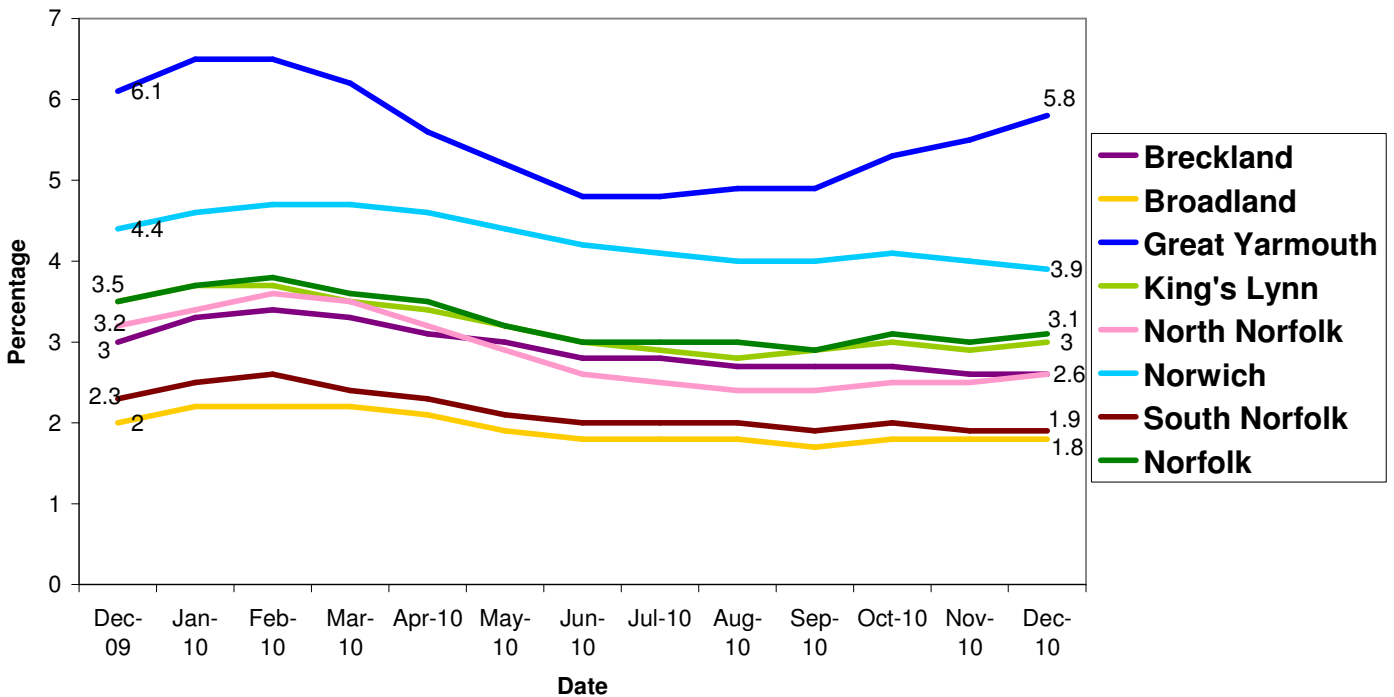
Source: Job Centre Plus

A study carried out by The Prince's Trust and the Royal Bank of Scotland warns that the price of youth unemployment nationally is at a record high.

All people claiming JSA



All people claiming JSA



Source: Job Centre Plus

Area	Count	%age of working age population	Change in count year on year	%age change in count year on year
Norfolk	16,252	3.1	-2,129	-11.6%
Breckland	2,055	2.6	-366	-15.1%
Broadland	1,326	1.8	-165	-11.1%
Great Yarmouth	3,465	5.8	-168	-4.6%
King's Lynn & West Norfolk	2,588	3.0	-371	-12.5%
North Norfolk	1,511	2.6	-330	-17.9%
Norwich	3,944	3.9	-416	-9.5%
South Norfolk	1,363	1.9	-313	-18.7%

Source: Job Centre Plus

6,244 claimants in December 2010 were from the Norwich Job Centre Plus office, an 11 percent fall from 2009, a decrease of 1.93 percent since November 2010.

Redundancies

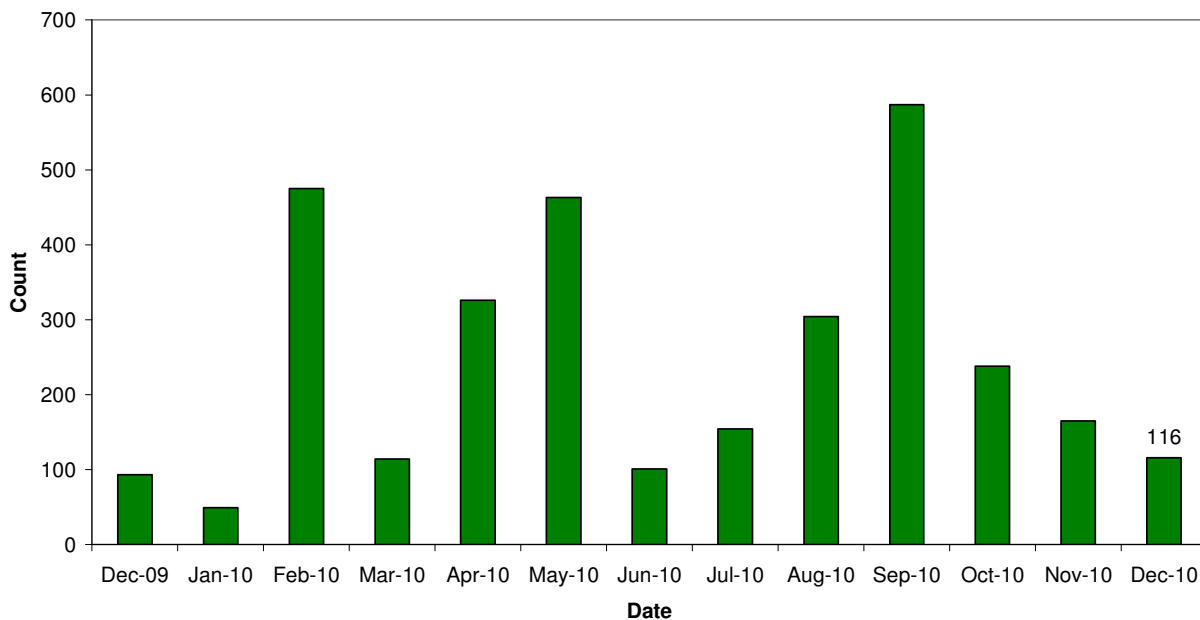
Key Facts

There have been 9,152 redundancies notified to Job Centre Plus between July 2008 and 31 December 2010, with a decrease of 29.7% since November 2010. Of these 52.8% have been in Norwich, 4.4% in Broadland and 2.7% in South Norfolk.

The hardest hit sectors this month are public service (139), tourism and leisure (90) and construction (43).

Source: Job Centre Plus

Norfolk redundancy notifications



Job Adverts (EDP)

Date	Pages	Public Sector Jobs (council, education, NHS, healthcare)	Private Sector Jobs	Third Sector Jobs
2 nd December	4	33 (44%)	32 (42.67%)	10 (13.33%)
9 th December	4	22 (34.92%)	38 (60.32%)	3 (4.76%)
16 th December	2 and a 1/2	11 (22%)	34 (68%)	5 (10%)
23 rd December	No separate pullout	1 (25%)	3 (75%)	0
30 th December	Data not available			

Unless figure or positions stated each advert is counted as one position


Job Vacancies

3,746 jobs in Norfolk were notified to Job Centre Plus. Of these 67 percent were full time positions. Notified vacancies were down 18.39 percent from November's total.

In terms of district vacancy notifications:

- Broadland had 590, an increase of 29 percent since last year and a 46 percent increase from November.
- Norwich had 1,073, a drop of 22 percent since last year and a 22 percent decrease from November.
- South Norfolk had 355, an increase of 16 percent since last year but a 31 percent decrease from November.

Industry	Norfolk	
	December 09	December 10
Agriculture, hunting and forestry	16	6
Manufacturing	162	86
Electricity, gas and water supply	6	44
Construction	77	58
Wholesale and retail trade	307	456
Hotels and restaurants	169	99
Transport, storage and communication	58	76
Financial intermediation	133	65
Real estate, renting and business activities	1,545	1,919
Public administration/defence/compulsory social security	256	110
Education	88	105
Health and social work	750	448
Other community, social and personal service activities	222	260
Extra-territorial organisation and bodies	4	11
Column Total	3,793	3,743

 Industry sectors with falls in job vacancies

Housing

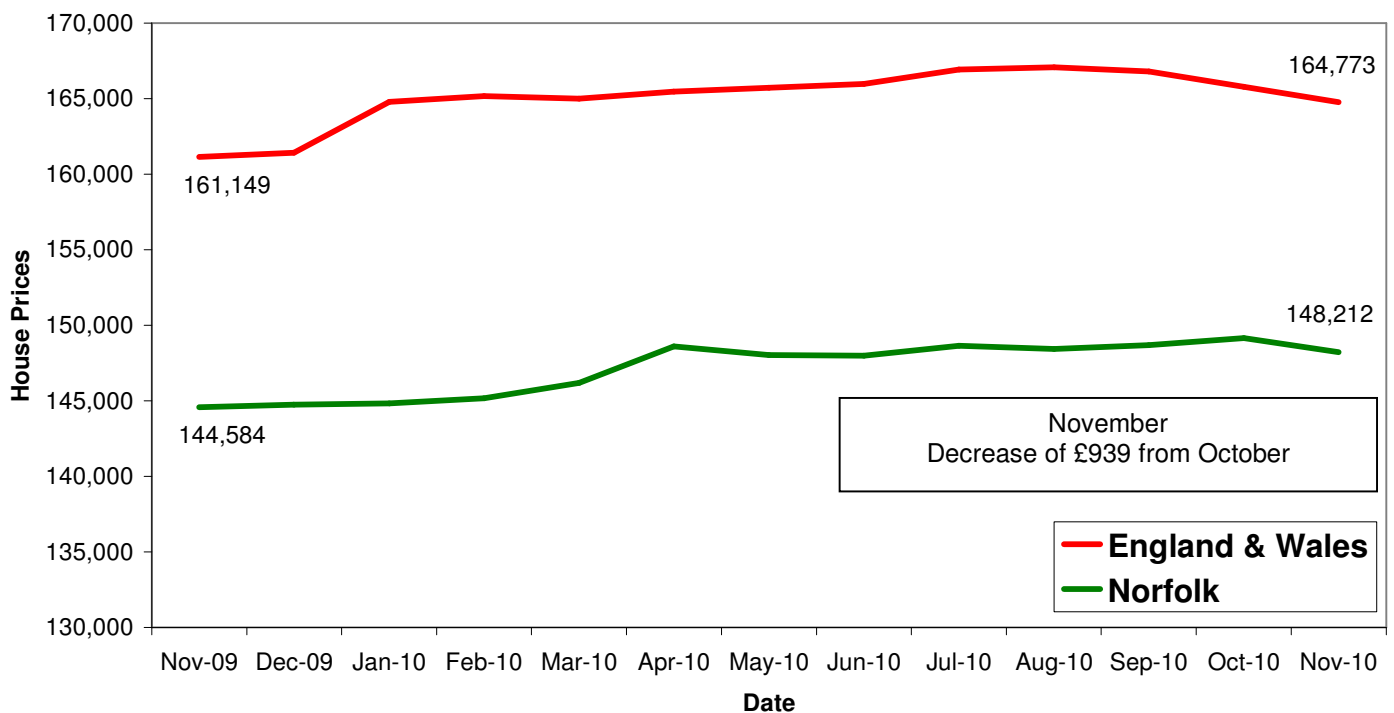
Key Facts

- **UK house prices increased by 1.3% in December. Prices in the three months to December were 0.9% lower than in the preceding three months.** This rate of decline remains significantly lower than the quarterly falls of 5-6% during the second half of 2008.
- **Average House price £162, 435**

Source: Halifax House Price Index

House sales in the East of England dropped to the lowest level in the country per surveyor at the end of 2010 according to the December RICS UK housing market survey.

House Price Trends



Source: Land Registry