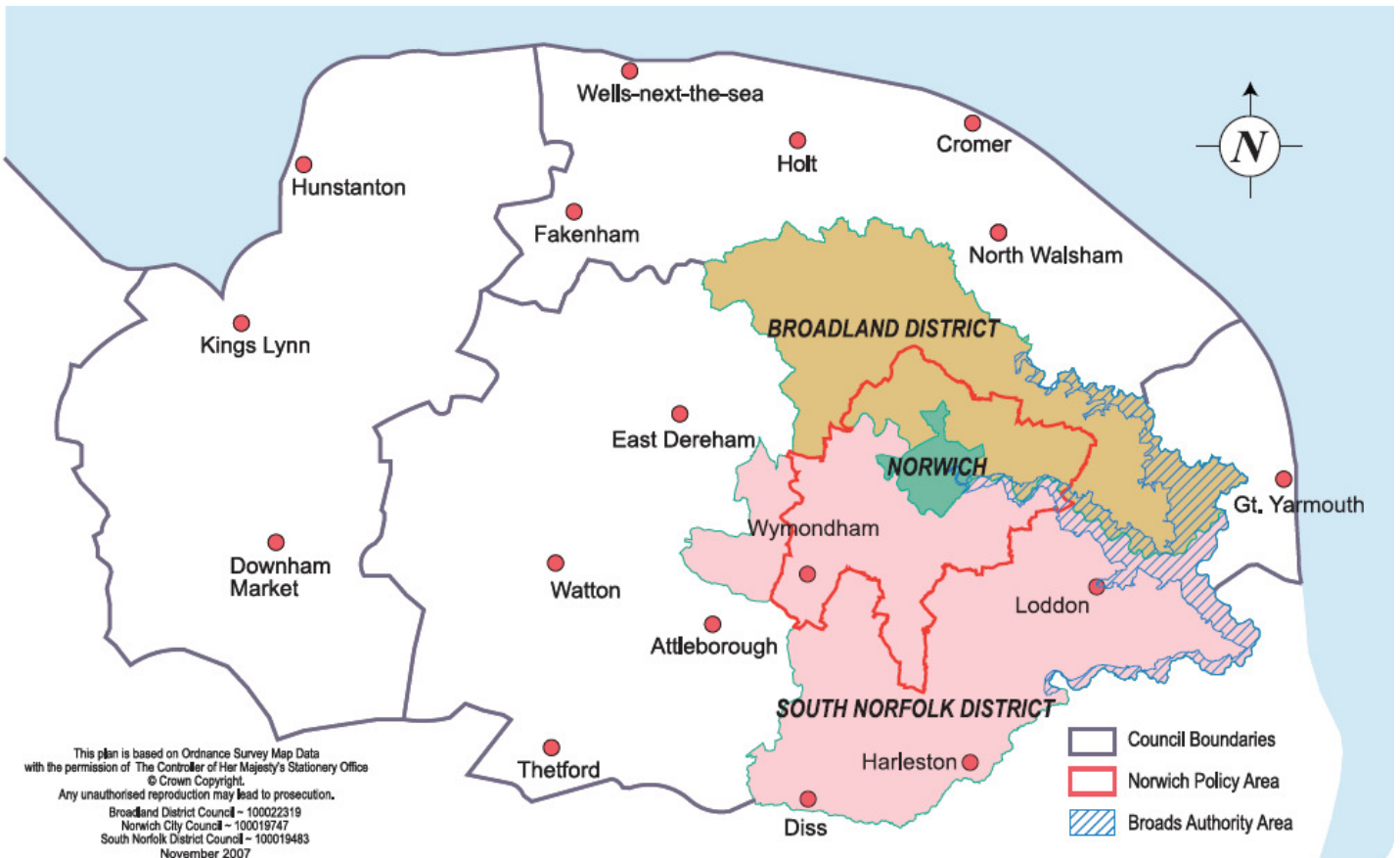


Greater Norwich February 2011



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	↓

Lots of positive stories this month across many sectors including agriculture and food processing, digital, engineering, financial and professional services, health and life sciences and manufacturing. A couple of headline stories include Kettle Foods having a £6.2m expansion, 2 Sisters Food Group is set to invest £30m in a manufacturing site in Thetford and Purcell Miller, an architects firm, launching a new office in Hong Kong.

Despite positive news in the private sector, this month saw Norfolk County Council members approve a package of cuts which would see funding being reduced by £60m in the next 12 months and the loss of about 1,000 jobs.

The number of people claiming Job Seeker Allowance rose this month to a 10 month high. The increase follows the trend of employers laying off temporary staff after Christmas.

There were 307 redundancies this month, an increase of 191 from January. This is the highest month recording since September 2010, which reached a high of 587 after the highest peak of 947 in April 2009.

Job vacancies notified to Job Centre Plus have risen this month by over 50 percent. Broadland and South Norfolk saw over a 75 percent rise after both dropped by around 50 percent between December and January.

House prices fell in Norfolk according to the Land Registry by £383. The Halifax index also fell, by 0.9 percent after a 0.8 percent rise in January.

Conclusion

Despite the private sector news continuing to be buoyant with stories of investment, contract wins and growth the statistics for February show unemployment at its highest for 10 months, and redundancies up by 164.66% on January. Vacancies are rising, with the private sector leading the way, but there is uncertainty as to whether the private sector will 'mop up' losses in the public sector which have happened already and are forecast to continue over the coming months.

Trading Climate & Confidence Levels

Key Facts

Lots of positive stories this month, firstly in agriculture and food processing as the owners of Kettle Foods announce a £6.2m expansion to the Norwich factory and Bray's Cottage receiving phone and internet orders as soon as they released their gourmet pork scratchings; secondly in digital as Oilennium aim to increase sales by 50pc after launching new courses and Breakwater IT planning to triple sales after signing with ThinkGrid to offer cloud computing to its clients and thirdly in sciences as Anglia DNA's home paternity test, Assuredna test, is released in Boots stores across the country.

Agriculture & Food Processing

Norfolk

Prof Wynne Jones, a leading academic, told Norfolk farmers a thriving agricultural and food industry urgently needed major research investment to boost productivity.

Positive	Negative
A campaign to support British pork producers is underway with local signs and banners in farmer's fields with plans to go to Westminster next month to raise Government awareness of the issue. The increasing price of feed-wheat has meant farmers are losing out when selling on to supermarkets and producers.	Beet growers from across East Anglia have criticised the 24-week processing campaign from British Sugar as excessive as the industry struggled to cope with thousands of acres of rotting beet.
	Farming's costs have topped 8.3pc in just the past six months according to the latest figures from buying group Anglia Farmers.

Greater Norwich

Positive	Negative
Kettle Foods, Norwich – will undergo a \$10m (£6.2m) expansion which will lead to new jobs. Kettle has seen significant growth since being bought by Diamond Foods in spring 2010, with sales up 13pc in the 12 weeks to December 25, and its Norfolk work force increasing by about 50 to 409 during 2010.	Raveningham Estate, near Loddon – is ending a 150-year tradition of dairy farming this spring with its pedigree Holsteins being sold due to the high cost of production while the processors and the retailers still bring in profits.
Yaregrain plc, Cantley – Norfolk grain store – has achieved organic certification for this year's harvest and is thought to be the only facility in the region able to offer organic storage to farmers.	

Other Areas

Positive	Negative
Bray's Cottage, north Norfolk – turned the humble pork pie into a gastronomic delight – have started to produce pork scratchings with three different seasonings – smoked paprika and rosemary, lemon pepper and thyme and	

fennel and juniper. Within days of announcing the launch of Crackle, the phones and internet have been busy and a new extractor fan has been installed.	
The Big Prawn Company, Melton Constable – shellfish firm – has launched ambitious three to five year growth plans with a raft of investment in its factory doubling capacity and the appointment of a new senior management team.	
2 Sisters Food Group is to invest £30m in a manufacturing site in Thetford creating 100 jobs. The focus of the factory would initially be breaded and coated chicken. In the longer term a further 200 jobs could be created and the site would act as a 'platform for growth' for the firm's prepared foods division.	

Construction

Work in construction has slumped and the number of firms falling into administration in East Anglia jumped 40pc in the fourth quarter of 2010 according to two separate reports. The RICS construction market survey said as a result of government spending cuts, public housing and public non-housing sectors construction in the east of England were the hardest hit – recording net balances of -28 and -24 respectively. Research by accountants Baker Tilley, using data published in the London Gazette, showed 28 firms fell into administration in the fourth quarter of 2010 compared to 20 in the previous three months. Compared to the UK average year on year, with a fall of 24pc from 752 to 568, East Anglia lagged behind with a drop of just 3pc.

Other Areas

Positive	Negative
North Norfolk Construction, Cawston – jobs have been secured after the firm, which went into administration, has been sold back to one of its directors. The firm encountered financial difficulties earlier this month after suffering in the recession and as a result of “inaccurate pricing” on a number of projects.	

Creative Norfolk

Positive	Negative
The EDP has won the Daily Newspaper of the Year and edp24.co.uk has been named Website of the Year at the EDF Energy Awards 2010.	Archant Print – media publisher – has announced that it is consulting with staff over a proposal to outsource the printing of some of the Archant Group newspaper titles to a third party printer.

Greater Norwich

Positive	Negative
Brand Experience, Norwich – marketing agency – has won a contract with global insurance and reinsurance firm Kiln, a £1bn turnover business.	

Digital Greater Norwich

Positive	Negative
Oilennium, Loddon – online training courses for offshore workers in the oil and gas sector – aims to increase sales by 50pc this year after launching new courses for individuals.	
Breakwater IT, Meridian Business Park – plans to triple sales at the business by signing up with global corporation ThinkGrid to offer cloud computing to its clients.	

**Energy
Norfolk**

Huge growth is expected in the East of England's energy sector and carbon Capture and Storage will bring jobs to the region.	
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Other Areas

Positive	Negative
The Sheringham Shoal Visitor Centre opened this month, which links to the Sheringham Shoal offshore windfarm.	

**Engineering
Greater Norwich**

Positive	Negative
Scion Sprays, Hethel Engineering Centre - has developed a fuel injection system to improve the efficiency of small engines which reduces fuel use and carbon emissions by about 20pc and noxious gases by 80pc and has just secured an order with a major scooter manufacturer providing a boost to production.	

Other Areas

Positive	Negative
Warren Services, Thetford – saw sales increase 26pc over the past year to about £4.7m with 25pc attributable to Watermist, co-owned with firm Fireworks.	

**Environmental
Greater Norwich**

Positive	Negative
Two Asda stores in the region- one in Norwich and one in Lowestoft – have been trialling paper milk bottles, called Green Bottles, since 2007 with about 15,000 being sold. The bottles can be composted within a few weeks while plastic ones take up to 500 years if they end up in landfill sites. Because of the success of this trial, the bottles are due to be rolled out across other parts of the country.	

**Financial & Professional
Norfolk**

Positive	Negative
Santander has opened four agencies in partnership with Howards Financial Services creating new jobs with the potential for more in 2011 as Santander grew its network.	

Greater Norwich

Virgin Money, Norwich – is moving its headquarters to Edinburgh, but insist it will have no impact on the Norwich operations which houses the firm's finance, marketing, HR and commercial strategy teams.

Positive	Negative
Vivid Interface, Wymondham – insight and research company – has opened a new office in Abu Dhabi.	
Aviva, Norwich – insurance – has transferred some of its call centre operations back to Broadland Business Park from India, but they are still committed to offshoring.	

M + A Partners, Norwich – accountancy firm – launched M + A Corporate Finance last year and has since taken on a new member of staff.	
Ardeola Business Services, Wroxham – offer cash-saving services to the public and private sector – has been launched by two former Aviva directors for businesses wanting to reduce their cost base without necessarily cutting staff.	
GSL Dardan Investigations, Longwater Business Park – corporate investigations company – plans to turn the business into a million-pound operation after a rise in fraud cases and employee thefts.	
Purcell Miller Tritton, Norwich - architects - have launched a new office in Hong Kong, due to open in April with five staff from Norwich, after a six month conservation consultancy contract became a full scale project.	

Other Areas

Positive	Negative
Whiting and Partners, King's Lynn - accountancy firm - has joined a national network, Corporate Finance Network, to boost the services it can offer to SMEs.	

Health & Life Sciences

Greater Norwich

Positive	Negative
This month saw a do-it-yourself paternity test, created in Norfolk by Anglia DNA, released in Boots. The assuredna test allows people to establish who the father of a child is in one to five days. Anglia DNA is now set to target customers overseas after sales were boosted nationally by the tie-up with Boots.	
Intelligent Fingerprints, UEA spin out company – found a way to identify illegal drug use and a person’s identity simultaneously through a simple fingerprint test - have secured £300,000 of investment to help develop their business. The company has developed “reagent kits”, which for the first time could give police a tool to carry out roadside drugs testing and it is now looking at kits which could test for traces of explosives, which would be crucial in anti-terrorism work. The cash is being given by Synergis Technologies, a privately owned early-stage investment firm based in London and the Icení Seedcorn fund.	
Bosses at Norwich Research Park Innovation Centre have announced a range of business support measures including a professional advisers’ panel including experts from law, finance and accountancy, IT and marketing, intellectual property and innovation in a bid to attract new tenants.	

Manufacturing

Norfolk

The Chartered Institute of Purchasing and Supply’s (CIPS) manufacturing activity index, where a reading over 50 indicates growth, maintained its all-time high of 61.5 in February and created a record number of jobs. But factories’ selling prices increased at the second fastest rate as they passed on the rising costs of cotton, energy, metals, oil, plastics and timber to their customers.

Greater Norwich

Positive	Negative
Polyprint Mailing Films, Rackheath – print plastic mailing bags and food packaging – has developed a process with a Suffolk company that allows bio-degradable plastic film to be recycled alongside non-degradable plastics. The mixed loads will be used to make plastic refuse sacks.	

Gurney Reeve, Sutton - sweeper manufacturer - with a renewed focus on exports to Germany after securing a German distributor the business is set for growth.	
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Other Areas

Positive	Negative
Foster Refrigerator, King's Lynn – commercial refrigeration – has been named as one of the country's best manufacturers by the Engineering Employers' Federation.	
Langham Glass, Fakenham – glass manufacturer – is creating and exporting bespoke bottles for the Havana Club in Cuba. The bottles decorated in 22 carat gold, are made in Norfolk and exported to Cuba where they are filled with Maximo Havana Club rum before being packed into specially made wooden crates and sold across the world for \$1,000 a piece.	
Porvair, King's Lynn – filtration and environmental technology firm – has secured a \$600,000 (£511,000) nuclear order bolstering a promising start to the year. The win follows a similar project in the US in a new line of work for the company, which offers 'further opportunities for future contracts'.	
Boniface Engineering, Thetford – manufactures recovery vehicles – has seen sales boosted by European orders after increasing its focus on customers on the continent over the past two years after its UK and Irish markets were hit by tightening finance.	

Retail

Other Areas

Positive	Negative
Primark, King's Lynn – is to create 150 jobs when the store opens in Spring.	Budgens, Sheringham – is set to close due to competition with Sainsburys that opened in the town in 2009 and the new Tesco that is planned. It may be sold to a non-grocery retailer.
A campaign has been launched in King's Lynn to revive enthusiasm for independent businesses with shoppers being encouraged to write testimonials in support of smaller companies.	
Truly Local, Stalham – farm shop – is set to open and will solely stock food and other goods produced within a 35-mile radius.	

Tourism

Norfolk

Positive	Negative
MP Brandon Lewis has met with the chief executive of East of England Tourism and asked for his support in ensuring the region receives a fairer share of public tourism cash.	
The National Trust is giving a push to the 'great outdoors' by expanding walks, cycle routes and campsites.	
The HR Helpline, run by Norfolk Tourist Attractions, has been launched to help local tourism businesses deal with employment issues.	

Greater Norwich

Positive	Negative
A new report drawn up by the Museums	Broad House Hotel, Wroxham – boutique hotel

Service showed visitor numbers to the city's museums in 2011/11 exceeded 2009/10 figures by 13.5pc and an increase of 17.4pc in the number of visitors to the flagship Norwich Castle Museum has been credited for the surge.	- negotiations with a potential new owner have broken down due to access issues relating to the use of Wroxham Broad, but administrators are still hopeful a sale will go through in the near future.
The 2011 Norwich Dragon Festival, organised by Norwich Heritage Economic and Regeneration Trust (HEART) over the half term has been hailed a success	The Broads Authority navigation committee has voted to support the principle of boaters funding a fair share of the Authority's general overheads through their toll money despite the new system causing uproar among boating organisations.
Norwich International Airport has seen a 28pc increase in bookings at its now annual holiday and travel fair.	

Other Areas

Positive	Negative
The Butterfly Chain who own the Ramada in King's Lynn has been bought by another hotel group after going into administration this month.	
Plans for a magic museum, Magic Kingdom, in North Walsham have been released, featuring a theatre capable of seating 380 visitors, a restaurant and gift shop. It is hoped a total of 12 jobs some full-time and some part-time would be created.	
Rose and Crown, Harpley – historic village pub – has reopened after closing in late 2009 and after a planning proposal to build two houses within its grounds was turned down.	

Other Norfolk

Positive	Negative
Proposals have been put forward to shut Identity and Passport Service (IPS) offices as part of the Home Office restructuring programme to save money. Offices at risk include Norwich and King's Lynn.	

Greater Norwich

Positive	Negative
NPS Group, Norwich – property management – has revealed plans to establish a strong of new joint venture companies with local authorities after announcing a tie-up with Barnsley Borough Council.	Remploy – disability employer – has suffered in the economic downturn and is requesting staff to consider voluntary redundancy. 74 staff employed in the company's packaging branch in Norwich, around half of whom are disabled, will be asked to consider redundancy.
Anglian Group, Norwich – home improvement firm – has been ranked 93rd in the Sunday Times Deloitte Buyout Track 100 following dramatic uplift in profits.	
Woodland Burial Parks, Colney – environmentally friendly funeral enterprise with £1.8m turnover– has spoken of their plan to expand the business in Norfolk and across the country. Proposals include expanding the Colney Woodland Burial Park by 30pc to meet growing demand and has plans for two new	

sites across the country.	
Fendercare Marine, Seething – ship-to-ship transfer firm – is manoeuvring itself in to a new market after carrying out a major buoy recycling project for the Ministry of Defence which was worth £2m.	
Eastern Office Supplies, Norwich – shelving and racking firm – is targeting 35m turnover within three years after embracing the digital revolution and creating websites tailored to specific product ranges and services. Sales were already up by 26pc in January having seen its online trade increase from just over £1m in 2009 to £1.7m in 2010 up from £566,000 in 2007.	
Two schoolboys are preparing to start a business recycling used text books among students online, recycleabook.co.uk	

Other Areas

Positive	Negative
Citizens Advice, North Norfolk – advice bureau which handles 18,000 people's money issues a year – is looking for funding of its own after its five-year lottery grant comes to an end next year.	
Glazewing, West Dereham – scrap metal and waste management company – has acquired the entire share capital of Singh(UK), a recycling and waste management company with key sites in Fenland.	

Other Information

Norfolk

The National Apprenticeship Service (NAS) in partnership with other organisations is launching a campaign to increase the number of apprenticeship opportunities on offer in Norfolk by making businesses and potential apprentices aware of the benefits of taking on apprentices. The Challenger Norfolk 100 in 100 campaign will launch during Apprenticeship Week this month.

Norwich Research Park has put forward a bid for part of £200m of funding the government has allocated to develop national technology innovation centres. The region has been recognised as a centre for growth by the head of the European Union, with UEA's InCrops programme being noted as among 'the tools we have to promote economic growth' across Europe.

Foreign Office minister Jeremy Browne visited Norfolk this month and have urged local businesses to 'go east' in a bid to promote growth and create new jobs. He said that with Far Eastern economies estimated to grow by 50pc by 2015, East Anglia is well placed to prosper because of its large number of hi-tech firms, advanced engineering and motorsport companies.

Norfolk County Council members have approved a package of cuts which would see funding being reduced by £60m in the next 12 months and the loss of about

1,000 jobs. Cuts include meals on wheels services to be overhauled and providers brought in, funding for sensory support services to be cut and Park and Ride sites seeing a reduced service while ticket prices go up.

Remote businesses have been given a boost with the launch of a scheme to improve signage to rural enterprises. A deal between South Norfolk Council and Norfolk County Council aim to reduce the cost and paperwork involved in applying for a brown tourist sign. Officials at the district have written to other authorities in the county urging them to sign up to the scheme.

Norfolk and Suffolk police are set to share a helicopter and appoint a joint assistant chief constable as part of their bid to cut costs by merging departments.

Greater Norwich

Rackheath 200-home eco-development – concerns have been raised over the low numbers of people who gave their views on the development with just 183 forms returned representing just 10pc of the Broadland population.

Results from the consultation have shown that 10.1pc of people in the district are in support of the project, 75.3pc do not support it and another 14.6pc were undecided.

However, plans for bus, cycle and pedestrian links to the exemplar project are taking shape with a plan to provide a rapid bus route from Rackheath into Norwich.

The Greater Norwich Development Partnership's joint core strategy for Broadland, Norwich and South Norfolk has been found sound by the planning inspector. The plan would see 37,000 homes and 27,000 jobs in the area in the next 15 years, but the strategy firstly needs formal approval by the individual local authorities.

The University of East Anglia has come third (up from 5th last year) in an annual poll to find the best university according to students. The survey asked students to rate their university on 21 different factors, from the quality of teaching to the social life on campus. Loughborough and Sheffield topped the Times Higher Education survey.

The UEA will see the loss of 32 jobs as part of restructuring, but it is hoped the loss will be offset by redeployment and a voluntary severance scheme.

The Learning Shop in the Forum, Norwich is set to close at the end of March due to funding problems. For more than a decade the centre has provided information and guidance to prospective adult learners.

Other Areas

Breckland Council has taken a step forward to sharing management jobs with South Holland as a deputy chief executive and director of commissioning have been appointed.

The Integrated Delivery Document has been released with prioritises key infrastructure projects which are vital to unlock the potential for population and housing growth in Breckland between now and 2026.

March Headlines

Archant - regional media group – has announced operating profit for 2010 was up 157pc from 2009.

Ipatter, Norwich – business online networking site – is set to expand overseas to Australia and the USA.

KLM UK Engineering – aircraft maintenance – has announced a cost reduction programme aimed at saving £1.7m annually

Bennetts, Norwich – electrical retailer – has gone into administration with 228 redundancies.

Unemployment

Key Facts

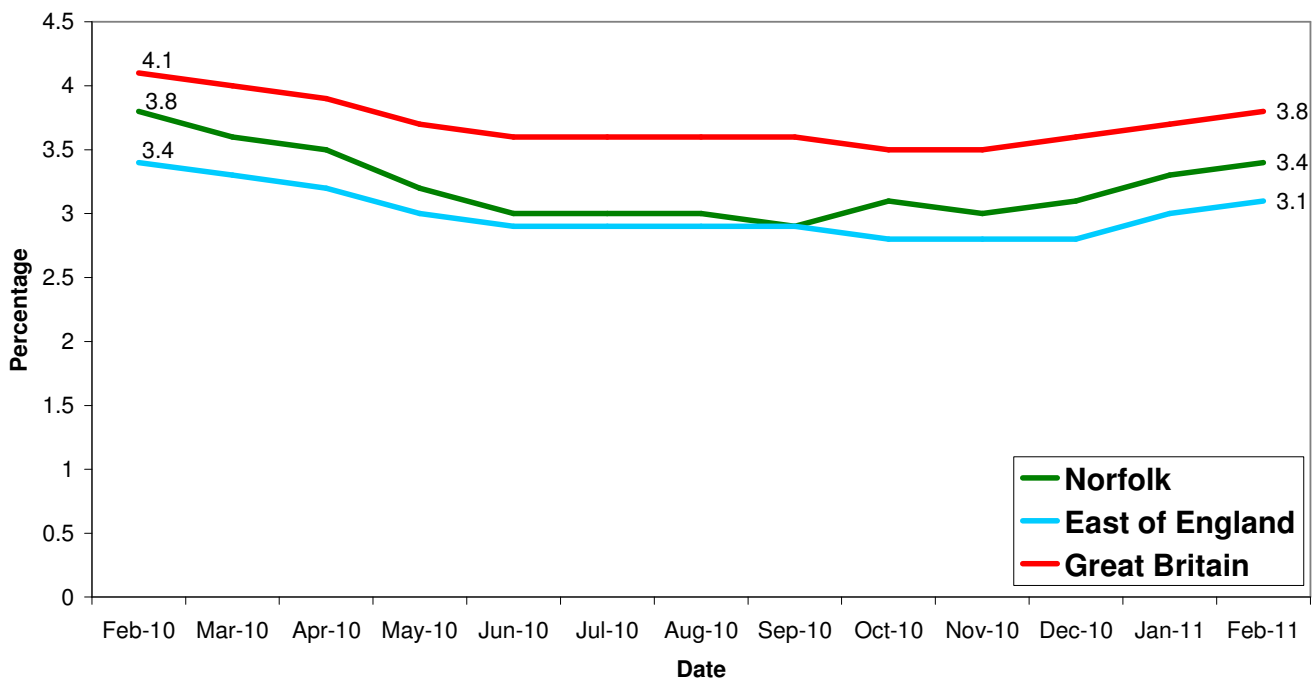
Norfolk JSA claimant count was 18,104 in February, up 438 or 2.48% since January 2011 but down by 1,816 on the year, a 9.12% decrease since February 2010.

Source: Job Centre Plus

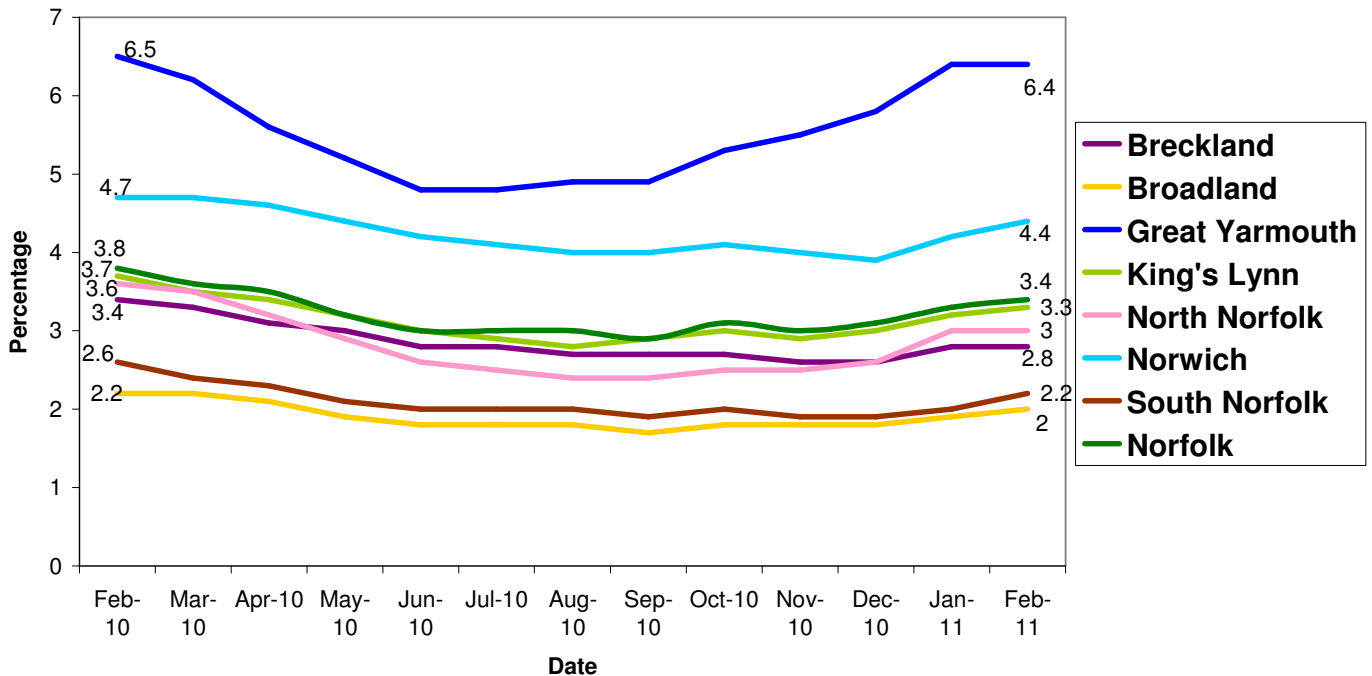
According to the youth charity The Prince's Trust, there are now enough unemployed young people nationally to fill every football stadium in the Premier League, with almost 200,000 left queuing outside.

Regional business leaders have asked the government to free them from red tape, widen the scope of national insurance holiday and support apprenticeship schemes to help create jobs and stimulate the economy as unemployment continues to rise.

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	18,104	3.4	-1,816	-9.1%
Breckland	2,262	2.8	-420	-15.7%
Broadland	1,545	2.0	-117	-7.0%
Great Yarmouth	3,837	6.4	-29	-0.8%
King's Lynn & West Norfolk	2,783	3.3	-334	-10.7%
North Norfolk	1,732	3.0	-319	-15.6%
Norwich	4,375	4.4	-300	-6.4%
South Norfolk	1,570	2.2	-297	-15.9%

Source: Job Centre Plus

6,969 claimants in February 2011 were from the Norwich Job Centre Plus office, an 8 percent fall from 2010, an increase of 4.53 percent since January 2011.

Redundancies

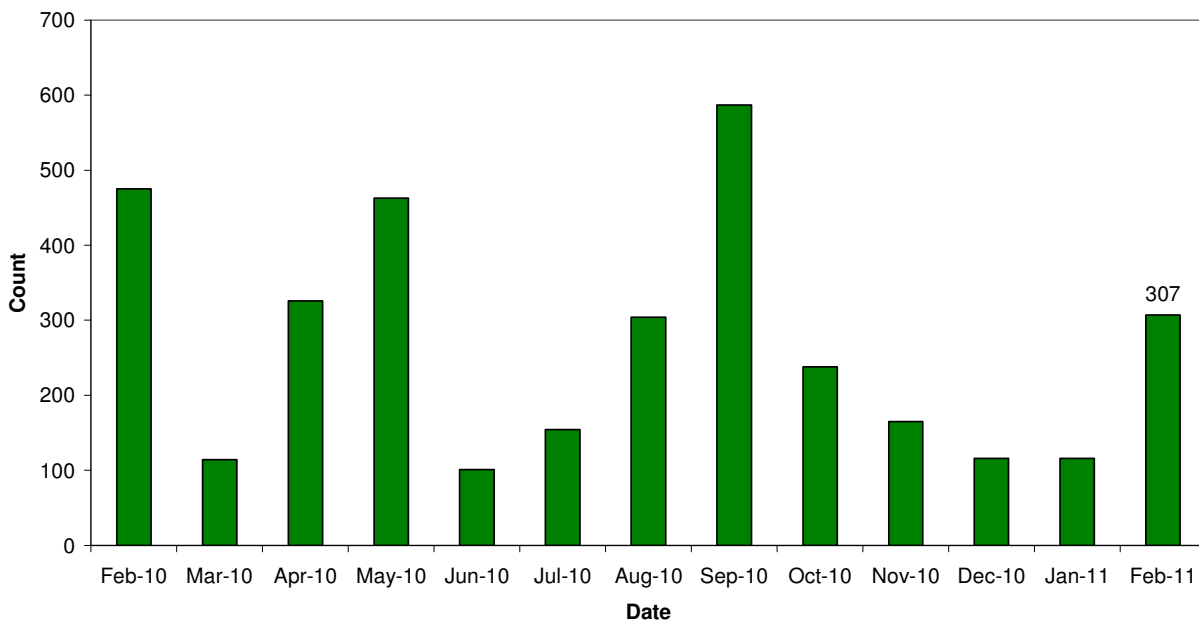
Key Facts

There have been 9,575 redundancies notified to Job Centre Plus between July 2008 and 28 February 2011, with an increase of 164.66% since January 2011. Of these 43.37% have been in Norwich, 7.80% in Broadland and 5.83% in South Norfolk.

The hardest hit sectors over the last 12 months are public service (31.02%), construction (13.22%) and manufacturing (8.39%).

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
3 rd February	5	43 (39.1%)	58 (52.73%)	9 (8.18%)
10 th February	6	30 (23.81%)	79 (62.7%)	17 (13.5%)
No data				
No data				

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

Job Vacancies

4,152 jobs in Norfolk were notified to Job Centre Plus. Of these 58 percent were full time positions. Notified vacancies were up 53.32 percent from January's total.

In terms of district vacancy notifications:

- Broadland had 404, an increase of 51 percent since last year and a 76 percent increase from January.
- Norwich had 1,099, a fall of 9 percent since last year but a 10 percent increase from January.
- South Norfolk had 354, a fall of 11 percent since last year but a 79 percent increase from January.
-

Industry	Norfolk	
	February 2010	February 2011
Agriculture, hunting and forestry	27	32
Manufacturing	258	100
Electricity, gas and water supply	11	121
Construction	79	73
Wholesale and retail trade	251	710
Hotels and restaurants	463	366
Transport, storage and communication	104	52
Financial intermediation	84	111
Real estate, renting and business activities	1,275	1,595
Public administration/defence/compulsory social security	141	120
Education	196	119
Health and social work	533	373
Other community, social and personal service activities	282	348
Column Total	3,704	4,120



Industry sectors with falls in job vacancies

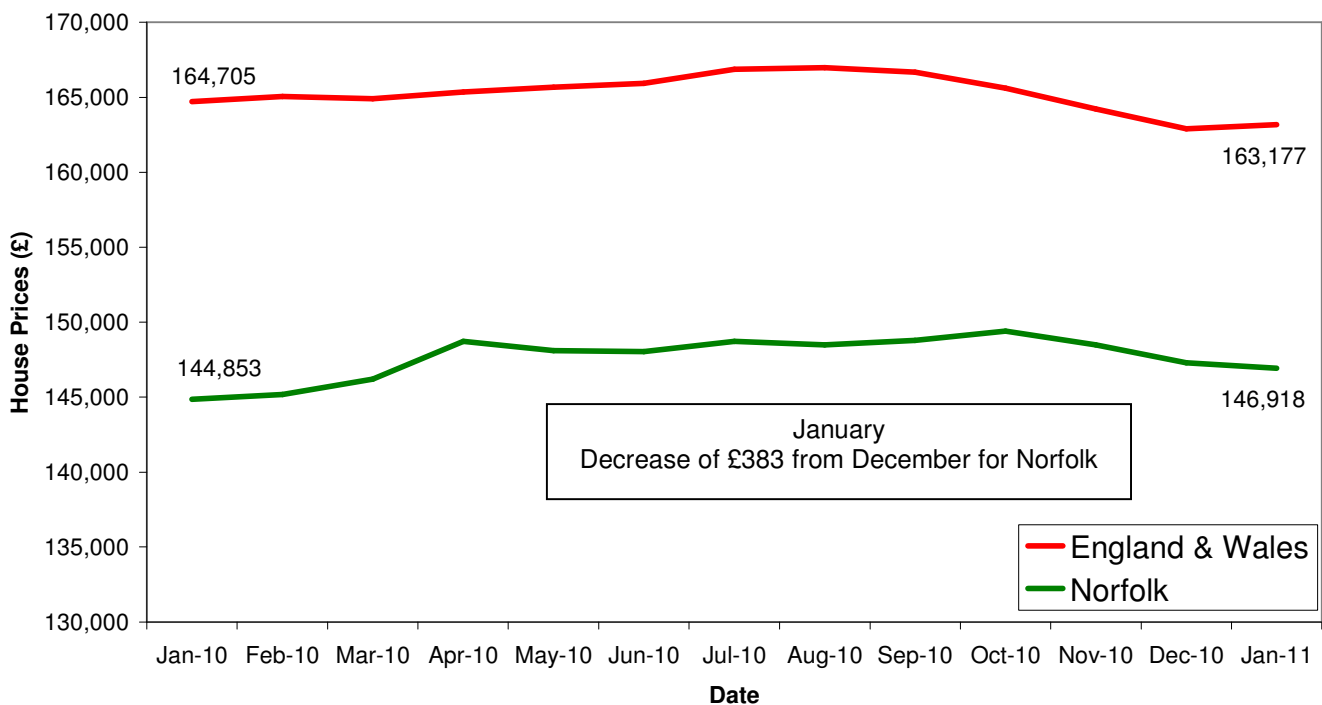
Housing

Key Facts

- **UK house prices decreased by 0.9% in February.** Prices in February were 2.8% lower than a year ago as measured by the average for the three months to February against the same period a year earlier. This is the biggest annual decline since October 2009.
- **Average House price £162, 657**

Source: Halifax House Price Index

House Price Trends



Source: Land Registry

The commercial property market in the region still faces 'significant challenges' with a lack of new projects and a glut of office space according to the RICS Commercial Property Market Survey.