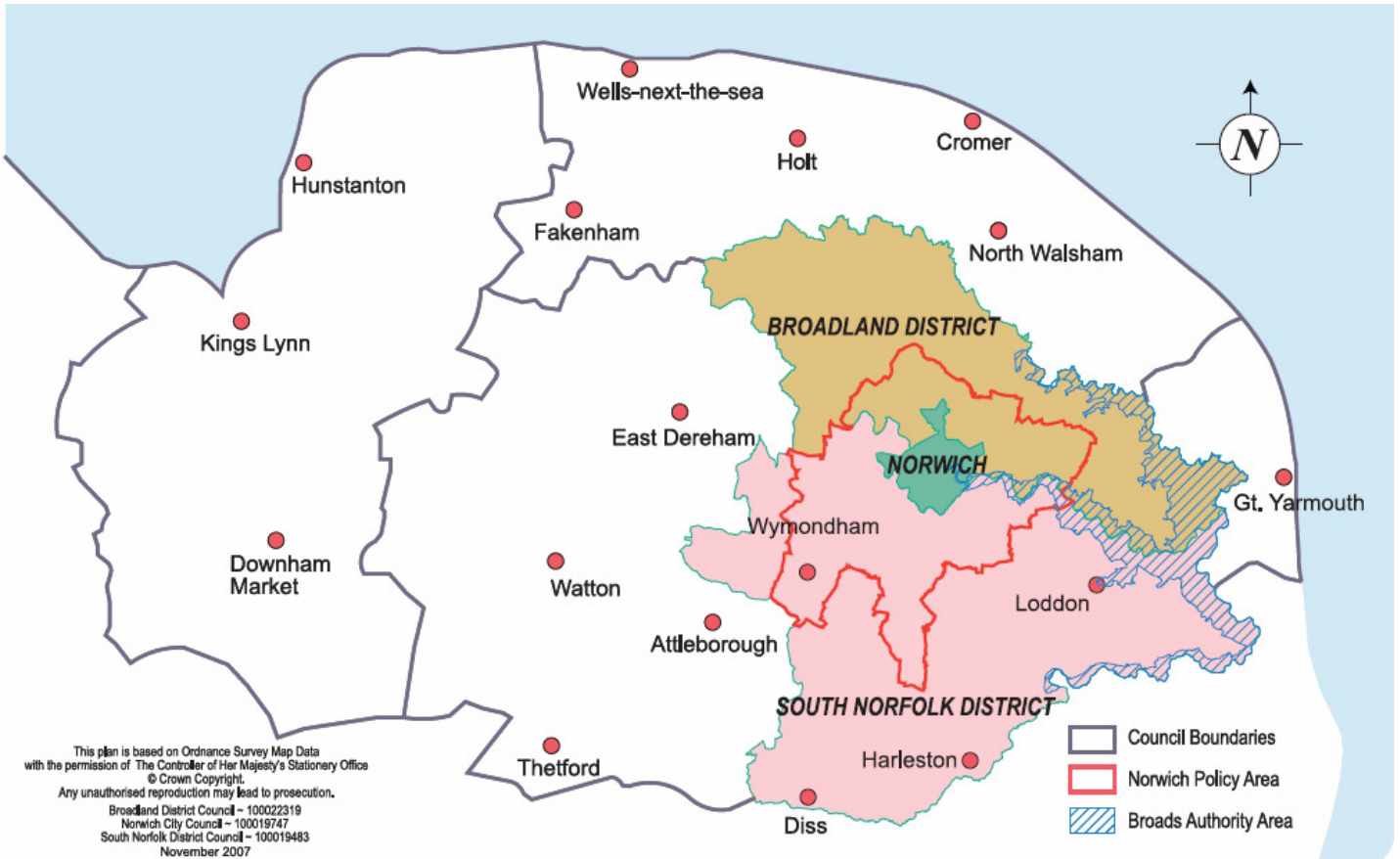


## Greater Norwich January 2011



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	↓

Positive stories this month across many sectors with Renewegen, a new company formed to market the Sea-Spider – a prototype tidal generator which can harness tidal currents- after winning a £100,000 grant from EEDA to develop the technology and Acro Engineering seeing a boost in orders and winning a contract back which had previously been sent to China thanks to exchange rates and investment in new machinery. Scientists at the University of East Anglia have discovered a rogue gene which – if blocked by the right drugs – could stop cancer in its tracks and John Lewis in a vote of confidence in the region’s retail economy, has announced a £7m overhaul of the Norwich store.

Despite a majority of positive stories, there continue to be stories of closures and redundancies with the Co-operative close its Thetford frozen food distribution centre next year with redundancies expected and the Broad House Hotel has gone in to administration with the loss of 36 jobs.

The number of people claiming Job Seeker Allowance rose again this month by 1,672 or over 10 percent making this the highest count since April 2010.

There were 166 redundancies notified this month, the same as in December with a notable rise in those in the haulage and distribution sector.

Job vacancies were down on December’s total with over a 50 percent drop in Broadland and close to 50 percent in South Norfolk. The number of job pages in the EDP has risen from last month with a high of seven pages.

House prices fell in Norfolk in December according to the Land Registry but there may be signs of hope as the Halifax index rose by 0.8 percent this month.

## Conclusion

A positive month for many businesses but statistics around JSA and vacancies underlie the recovery is not complete.

## Trading Climate & Confidence Levels

### Key Facts

**Good news stories this month with digital businesses acquiring and buying majority stakes in rivals, a young small-scale wind turbine business securing orders worth £3m, expansion in engineering businesses, The New York Times hailing Norwich as a getaway for book lovers and a singing advert star winning an album deal with the help of a Norwich business.**

### Agriculture & Food Processing

#### Greater Norwich

Positive	Negative
Reepham Brewery – has been bought and re-opened as Panther Brewery by a former sugar worker made redundant. Reepham Brewery closed 13 months ago. It is hoped the brewery will support Norfolk suppliers and sources 80 to 90pc of the ingredients needed for the ale locally.	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.
Bernard Matthews – turkey producer – are releasing a range of Marco Pierre White's ready to cook chilled turkey products as part of a £10m marketing spend on the Bernard Matthews Farms brand in 2011.	
WL Duffield & Sons, Saxlingham Thorpe – animal feed manufacturer – has appointed the Bury St Edmunds depot of Norbert Dentressangle Transport Services to handle the distribution of small quantity deliveries nationwide.	

#### Other Areas

Positive	Negative
Traditional Norfolk Poultry, near Attleborough – poultry supplier – supplied Norfolk Black Woodland free range turkeys to Sainsbury's as part of their luxury Taste the Difference range. It is thought they helped contribute to the supermarket chain achieving record sales in the run up to Christmas.	Waverley TBS, Cromer – beer and wine wholesaler – is closing its Cromer depot which has had a connection since 1780 and moving to Stratton Strawless. The Cromer site was reduced to a transit point recently.
Premier Foods has sold its meat-free food factory in Methwold as part of a £205m deal with Exponent Private Equity and Intermediate Capital Group. No jobs are thought to be affected with both companies hinting it could actually mean international growth for the business.	
Zetar, parent company of Fakenham based Kinnerton – has posted increased profits despite increased costs and the bad winter	

weather. Kinnerton accounts for just over 50pc of the group's turnover.

## Construction

The latest ConstructionSkills report indicates the industry is expected to contract by 1pc in 2011 with the loss of up to 76,000 jobs before it returns to growth. However, 200,000 new workers would be needed in the coming years to complete planned building projects.

### Norfolk

The construction sector contracted in December after house-builders recorded their lowest level of activity for 20 months, hindered by snowy weather, which delayed work.

### Other Areas

Positive	Negative
Chalcroft Construction, King's Lynn – has been appointed to build a major new warehouse for food services suppliers Brakes at the company's Grantham depot.	

## Creative

### Greater Norwich

Positive	Negative
Maw Communications, Norwich – have enabled the star from the Go Compare adverts to sign an album deal with Warner Music, as part of its work for the comparison website.	
Mediapro, Norwich – media training company – has won a contract with Reed Business Information, Europe's largest publishing house. Work includes training Reed's print journalists how to present "on air" as the company increases its internet presence.	
Archant – publisher, has signed a long-term strategic partnership deal with leading property search and information website Zoopla.co.uk to power Archant's online property channel, Homes24.co.uk	

## Digital

### Norfolk

Positive	Negative
A new Norfolk based website has been set up with the aim to help people do business with social enterprises. The site seb2b.co.uk lists social enterprises by business category.	

### Greater Norwich

Positive	Negative
Foolproof, Norwich – user experience design agency – has bought a majority stake in London-based Flow Interactive which is thought to make it the largest of its type in Europe.	
Proxama, Norwich – mobile technology – has acquired Cambridge proximity marketing specialist Hypertag.	

## Energy

### Greater Norwich

Positive	Negative
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. The company was founded eighteen months ago and has 20 projects underway or planned over the next few months. The company is targeting a full-year turnover of £8m to £9m.	
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#### Other Areas

Positive	Negative
It has been announced that a new wind energy education centre is to open in Sheringham In February. The Sheringham Shoal Visitor Centre will be associated with the Sheringham Shoal Windfarm Project, and will be on the first floor of the Mo Museum in the town.	
Renewegen, Hunstanton – new company formed to market the Sea-Spider – a prototype tidal generator which can harness tidal currents. The business won a £100,000 grant from EEDA to develop the technology. Precise details of how the machine works are a closely guarded secret while patents are being registered to safeguard the invention.	
Breckland Council have approved plans from PV Farms to build a solar-powered plant on nine hectares of arable land near Snetterton to help to address the energy shortfall in the area.	

#### Engineering Greater Norwich

Positive	Negative
Broom Boats, Brundall – is planning to expand its fleet with new boats and potentially move back into the hire boat sector. The business has undergone a difficult past year, having seen losses, a takeover and the closure of its boat building business – now re-launched under the parent brand.	
Active Technologies, Hethel Engineering Centre – engineering consultancy – is set to double its sales this year after launching a new tooling division. During 2010, Norfolk electronics firm Hamlin Electronics decided to outsource its tooling and environmental testing departments to Active in a five year agreement between the two firms. While 80pc of the machines' capacity will be taken up by former Hamlin customers, Active has already begun securing work to fill the remaining 20pc.	
Lotus Group International – reported a £12m loss last year after being hit by rising operating costs and currency fluctuations, despite seeing an uplift in sales. The company is on target for its plans for 2011, with double digit figure growth in its car sales and engineering divisions. Lotus Engineering sales are up 20pc on this time last year and have taken on 100 extra engineers at the Hethel base. Group Lotus have announced a move into clothing and accessories with an online store's lunch due to coincide with London Fashion Week's menswear day.	

#### Other Areas

Positive	Negative
Norfolk boat building and industry firms including Catfield-based Haines Marine, first timers North Walsham-based Hardy Marine and regulars Wroxham Marine and Broom Boats, under its new ownership, have attended the Tullet Prebon London International Boat Show this month.	
Acro Engineering, Catfield – weak exchange rates and investment in new machinery over the past three years have helped boost the order book of the firm as well as win back an order from a Dutch firm which had previously been sent out to China.	

## Financial & Professional Greater Norwich

Positive	Negative
Advanced talks are underway between Aviva and Norwich & Peterborough which would see N&P's 21 financial advisers sell and advise on Aviva's products.	
Blue Sky Additions, Norwich – recently launched recruitment firm specialising in finance and accountancy staff.	
Aviva, Norwich – has seen a steep increase in sales in private motor cover after the company teamed up with Swinton who now offer Aviva's private motor product at a more competitive price through a broker.	

## Health & Life Sciences Greater Norwich

Positive	Negative
Scientists at the University of East Anglia have discovered a rogue gene which – if blocked by the right drugs – could stop cancer in its tracks. It is hoped the research will lead to new drugs that halt the critical late stages of the disease when cancer cells spread to other parts of the body.	

## Manufacturing

One in five manufacturers fear orders will be hit by the government's spending cuts despite optimism about the state of their business this year. The Engineering Employers Federation (EEF) forecast a 3.5pc growth for manufacturing in 2011 compared with 2.1pc for the economy as a whole with investment and trade making positive contributions.

The government have urged manufacturing firms to throw open their doors to students and teachers in a drive to tackle the industry's 'outdated' image. Ministers said the UK was a world leader in producing hi-tech products, with manufacturing growth as a 16-year high, but a recent survey found 49pc of seven to 11-year olds think it would be boring to be an engineer.

## Other Areas

Positive	Negative
Porvair, King's Lynn- filtration specialist – posted pre-tax profits of 82pc to £3.1m in its year ending November 2010. This year will see the firm open an extension to its factory in China and launch new water-testing products for environmental laboratories from its King's Lynn based Seal Analytical subsidiary.	
Jeyes, Thetford – house cleaning and hygiene manufacturer – is to increase television advertising spend and focus on innovation after a strategic review.	

## Retail

Retail sales put in their worst performance for eight months in December as snowy weather and money worries caused shoppers to cut back on buying Christmas presents according to the British Retail Consortium. However sales of food and drink continued to grow.

### Norfolk

Positive	Negative
A number of retail businesses saw a flurry of shoppers before the VAT rose from 17.5pc to 20pc on the 4 <sup>th</sup> January, but many believe shoppers are driven more by the "great deals" in the sales.	

### Greater Norwich

Simon Property Group has dropped its pursuit to take over Capital Shopping Centres which own Chapelfield Shopping Centre after failing to gain access to its books.

Positive	Negative
John Lewis, Norwich – December sales up 6.9pc on 2009, with electrical items, menswear and beauty proving particularly popular. The company has announced a £7m overhaul of the Norwich store in a vote of confidence in the region's retail economy. It is expected to increase floor space by 10 to 12pc and will be completed around October.	HMV is set to close 40 HMV stores and 20 branches of bookseller Waterstones. While locations have not been confirmed, the focus will be on cities with multiple branches, raising fears for Norwich as the city has two of each all in close proximity.
Food store the East of England Co-Op and discount chain Family Bargains are both to open in Norwich. Family Bargains is set to create 40 jobs.	
Roy's of Wroxham saw a boost in sales over the Christmas period, with a 4.6pc like-for-like increase in its food sales the four weeks up to January 4, meaning the company was 1.5pc up as the same time last year.	

#### Other Areas

Plans for an expansion of a Thetford retail park are being recommended for approval by councillors- even though it is predicted that £3.8m a year in spending could be diverted from the town centre by the scheme and other out-of-town shop plans.

Positive	Negative
C T Baker, Holt – are expanding the local branch of Budgens, after taking it over in 2007, as part of a £1m-plus expansion which will create more jobs. The expansion would create a 60pc increase in their sales area.	

#### Tourism

##### Norfolk

Tourism chiefs have called on the government to cut VAT on food in hotels and restaurants, warning the 20pc rate is putting them at a serious disadvantage against foreign competitors.

If the Tour of Britain was to return to Norfolk, a Tour Ride event would be held for amateur cyclists allowing riders to follow the same route as the professionals on a different day from the pro-race.

##### Greater Norwich

Positive	Negative
The New York Times hailed Norwich as a getaway for books lovers in a recent feature.	Broad House Hotel, Wroxham – boutique hotel – has gone in to administration with the loss of 36 jobs.
The development arm of Tesco, Spen Hill Developments, has signalled a £4.5m investment for the former Hamlin electronics factory, Diss, which has been redundant since 1996. The proposals are for a 60 bedroom three story hotel, restaurant and pub.	

### Other Areas

Positive	Negative
Coasthopper service from King's Lynn to Cromer - a surge in tourists flocking to Norfolk for their holidays has seen the number of people using the bus service almost double to 500,000 from 2008.	
Hoste Arms. Burnham Market – have seen a new beauty spa open for both hotel guests and members of the public.	

### Other

#### Greater Norwich

Positive	Negative
Home Instead Senior Care, Norwich franchise – specialise in providing care for the elderly in their own homes – is set to more than double its staff to 70 after strong demand	Office2office, Norwich – stationery and business services firm – saw orders drop in November and December and believe year results for 2010 were likely to be “slightly below” management expectations as a result. Pressure on public-sector finances and the cold weather is thought to be the cause.
Midwich, South Norfolk – audio visual distributor – has reported record sales of more than £200m for last year while announcing it has made its seventh acquisition within five years – Ubiqz, a formerly London-based company which sells CCTV cameras and associated products.	First Eastern Counties Buses, Norwich – run bus and coach services in Norfolk and Suffolk – has seen turnover and profit before tax both increase but have seen a decline in demand as customers have reined in their spending.
Open Youth Venue in Norwich has now officially completed its second phase ‘Open Conference’.	
Mowdirect, Morningthorpe – online garden machinery firm – has seen December sales up by about a quarter over 2009 as customers rushed to beat the VAT increase on January 4. The company saw sales increase by about 10pc over 2010 to £3.5m, despite the industry as a whole shrinking by about 20pc.	
Business leaders have welcomed news that a new Norwich nightclub will create 75 jobs. Project nightclub is due to open late February on the site of the former Lava/Ignite club in the Riverside complex.	

### Other Areas

Positive	Negative
Norfolk's axed RAF Coltishall is set to become a plant for recycling airliners as TAG Aviation (Stansted) finalises a deal to purchase the site from the Ministry of Justice. Around one jet per day will land at the base under its own power and leave as four lorry loads of spare parts and one of raw aluminium, leaving just 3pc waste. It is hoped it will create 320 jobs over a five year period.	
Randell's Footcare, Cromer – is the latest footcare practice to be opened by the company since 2004. They also look after Norwich City Football Club's players.	

## Other Information

Business Link, the regional business support service, is to close on November 25 this year it has been announced. It will become a national web-based service and contact centre.

It was announced this month that employers will no longer be able to force staff to retire at 65 from October.

## **Norfolk**

Norfolk County Council's deputy chief executive is to leave his post in April 2011 as part of the restructuring process to save money.

Norfolk County Council is set to lose 750 posts as nearly £60m of funding is to be slashed from county council services in the coming year. The cuts are part of a three-year plan to shed 1,300 posts.

It was announced this month that councils in Norfolk have spent £7,669,351 making 737 workers redundant in the past three years.

Export growth from firms in Norfolk has slowed compared to a boost nationally, according the British Chambers of Commerce Quarterly Economic Survey.

The Norfolk Rural Community Council has been recognised for its work supporting the county's many rural communities having been awarded the ACRE (Action with Communities in Rural England) Level 3 Charity Commission, the highest accolade available.

'Big Society' – Norfolk has been chosen as one of 12 pilot areas (250 groups applied) for the government's flagship National Citizens Service (NCS), encouraging youngsters to play a greater role in their communities.

## **Other Areas**

Breckland Council have bought two town centre shops and a 160-space car park in Thetford in a £3.5m deal- and promised it would generate £250,000 a year to protect frontline services.

## February Headlines

Kettle Foods, Norwich – will undergo a \$10m (£6.2m) expansion which will lead to new jobs.

Vivid Interface, Wymondham – insight and research company – has opened a new office in Abu Dhabi.

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.

## Unemployment

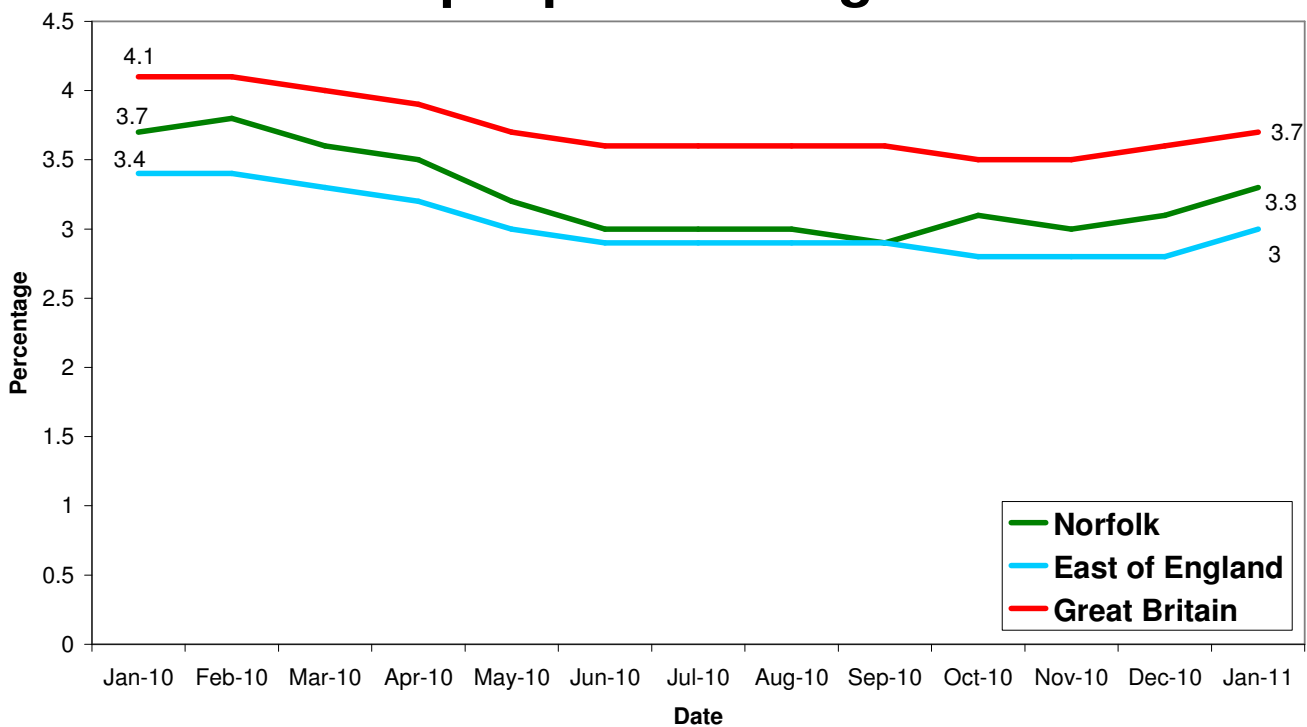
### Key Facts

**Norfolk JSA claimant count was 17,666 in January, up 1,672 or 10.29% since December 2010 but down by 715 on the year, a 3.89% decrease since January 2010.**

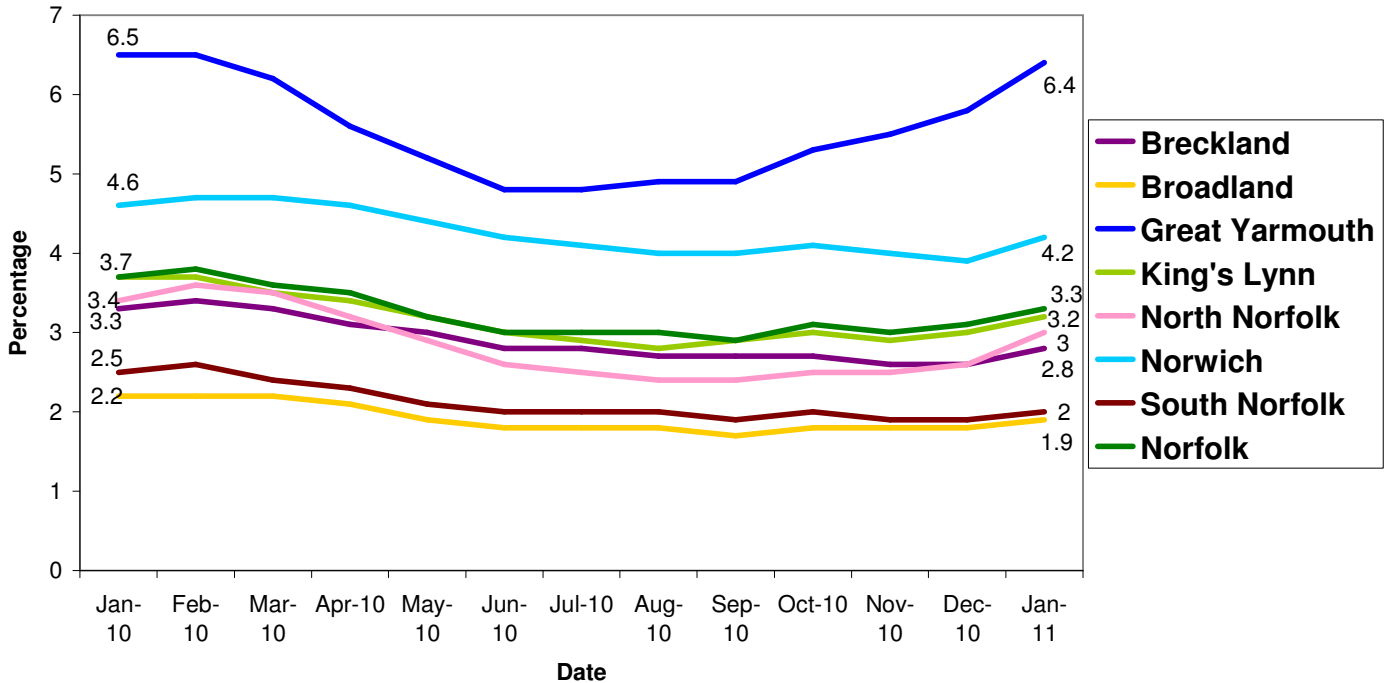
*Source: Job Centre Plus*

One in five university leavers failed to find work last year as graduate unemployment reached its highest in more than a decade. The Office for National Statistics data showed graduate unemployment had nearly doubled during the recession. The figures are from the third quarter of 2010.

## 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	17,666	3.3	-2,065	-10.5%
Breckland	2,233	2.8	-404	-15.3%
Broadland	1,473	1.9	-197	-11.8%
Great Yarmouth	3,799	6.4	-81	-2.1%
King's Lynn & West Norfolk	2,732	3.2	-377	-12.1%
North Norfolk	1,732	3.0	-232	-11.8%
Norwich	4,203	4.2	-436	-9.4%
South Norfolk	1,494	2.0	-338	-18.4%

Source: Job Centre Plus

6,667 claimants in January 2011 were from the Norwich Job Centre Plus office, a 12 percent fall from 2010, an increase of 6.77 percent since December 2010.

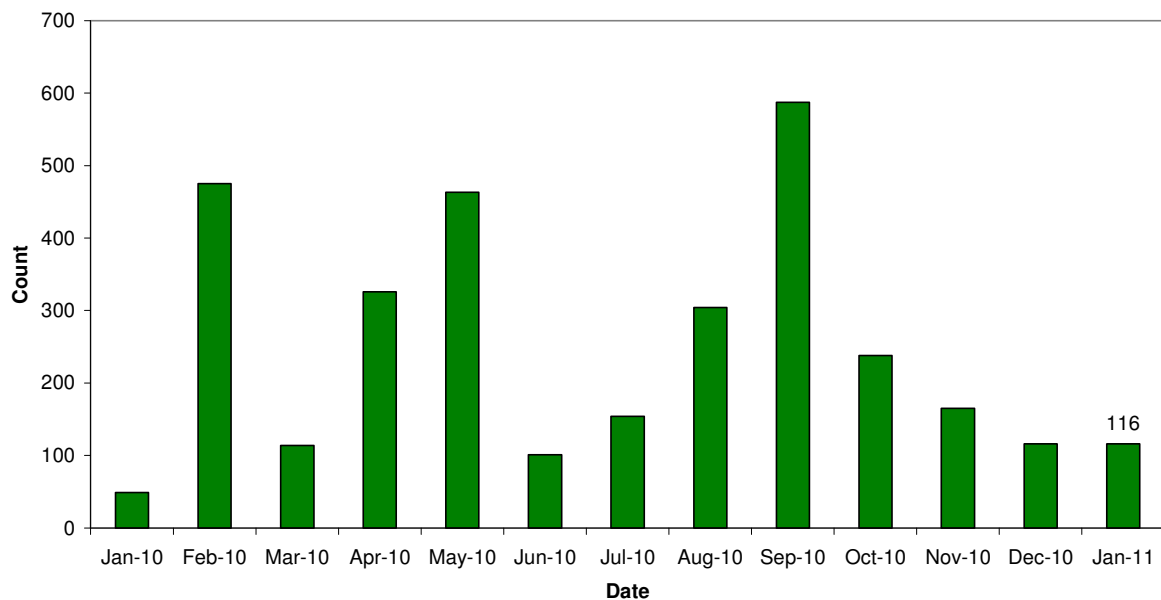
## Redundancies

### Key Facts

There have been 9,268 redundancies notified to Job Centre Plus between July 2008 and 31 January 2011, with the same number as December 2010. Of these 52.4% have been in Norwich, 4.3% in Broadland and 2.7% in South Norfolk. The hardest hit sectors this month were construction and haulage and distribution.

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
6 <sup>th</sup> January	4	38 (36.89%)	38 (36.89%)	27 (incl 7 Future Jobs Fund positions at the Norfolk Wildlife Trust) (26.21%)
13 <sup>th</sup> January	7	45 (36.29%)	66 (53.23%)	13 (10.48%)
20 <sup>th</sup> January	4 and a 1/2	33 (28.95%)	65 (57.02%)	16 (14.04%)
27 <sup>th</sup> January	5	26 (22.41%)	77 (66.38%)	13 (11.21%)

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


## Job Vacancies

2,708 jobs in Norfolk were notified to Job Centre Plus. Of these 64 percent were full time positions. Notified vacancies were down 27.71 percent from December's total.

In terms of district vacancy notifications:

- Broadland had 230, a rise of 10 percent since last year but a 61 percent decrease from December.
- Norwich had 997, a drop of 4 percent since last year and a 7 percent decrease from December.
- South Norfolk had 198, an decrease of 31 percent since last year and a 44 percent decrease from December.

	January 2010	January 2011
Agriculture, hunting and forestry	111	28
Manufacturing	95	91
Electricity, gas and water supply	7	76
Construction	75	82
Wholesale and retail trade	353	218
Hotels and restaurants	115	152
Transport, storage and communication	40	101
Financial intermediation	31	79
Real estate, renting and business activities	1,089	1,097
Public administration/defence/compulsory social security	299	176
Education	85	39
Health and social work	400	288
Other community, social and personal service activities	100	183
Column Total	<b>2,800</b>	<b>2,610</b>

 Industry sectors with falls in job vacancies

## Housing

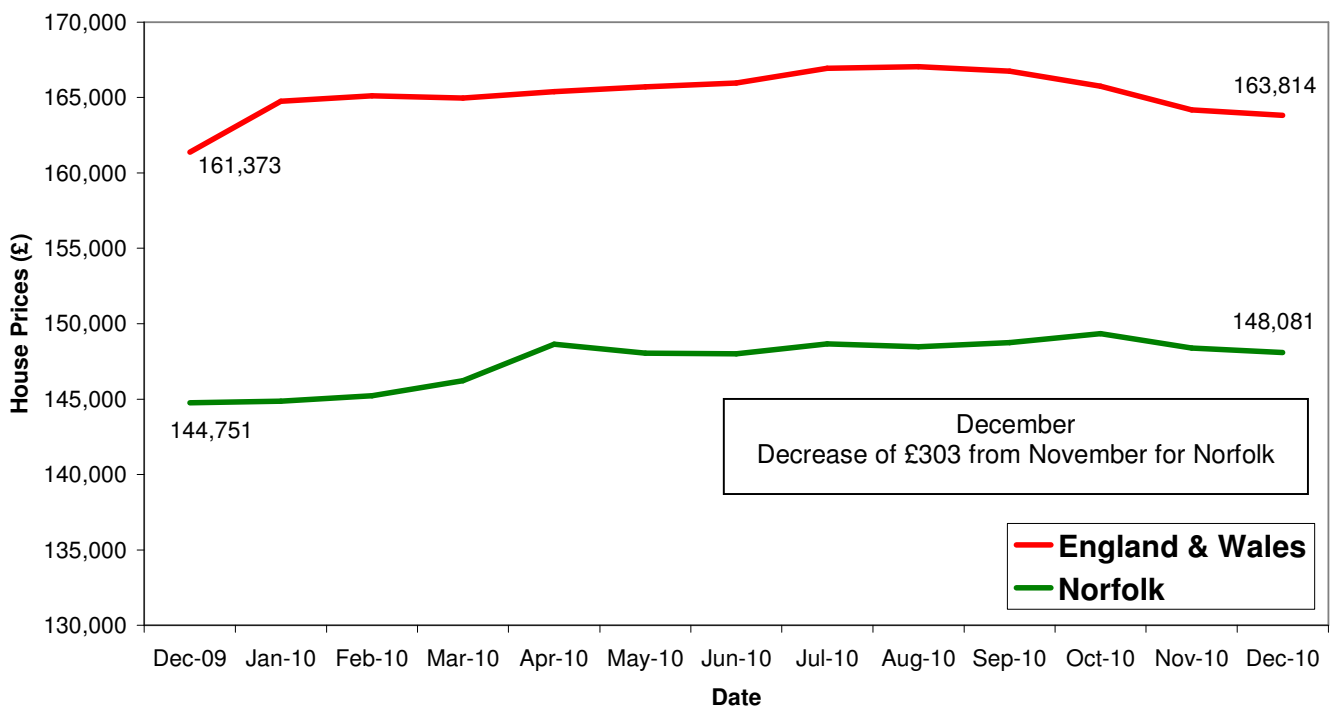
### Key Facts

- UK house prices increased by 0.8% in January.** The latest RICS survey reported a decline in new seller instructions for the third successive month in December. A continuation of this trend would help to reduce the imbalance between demand and supply and support house prices.
- Average House price £164,173**

Source: Halifax House Price Index

The Homes and Communities Agency has allocated £9.6m to the county for new homes. Almost 300 properties will be built with the money and could see up to 1,000 people come off housing waiting lists. They include 83 new homes in South Norfolk, 77 in Breckland, 69 in West Norfolk, 27 in Broadland and 19 each in Norwich and North Norfolk.

## House Price Trends



Source: Land Registry