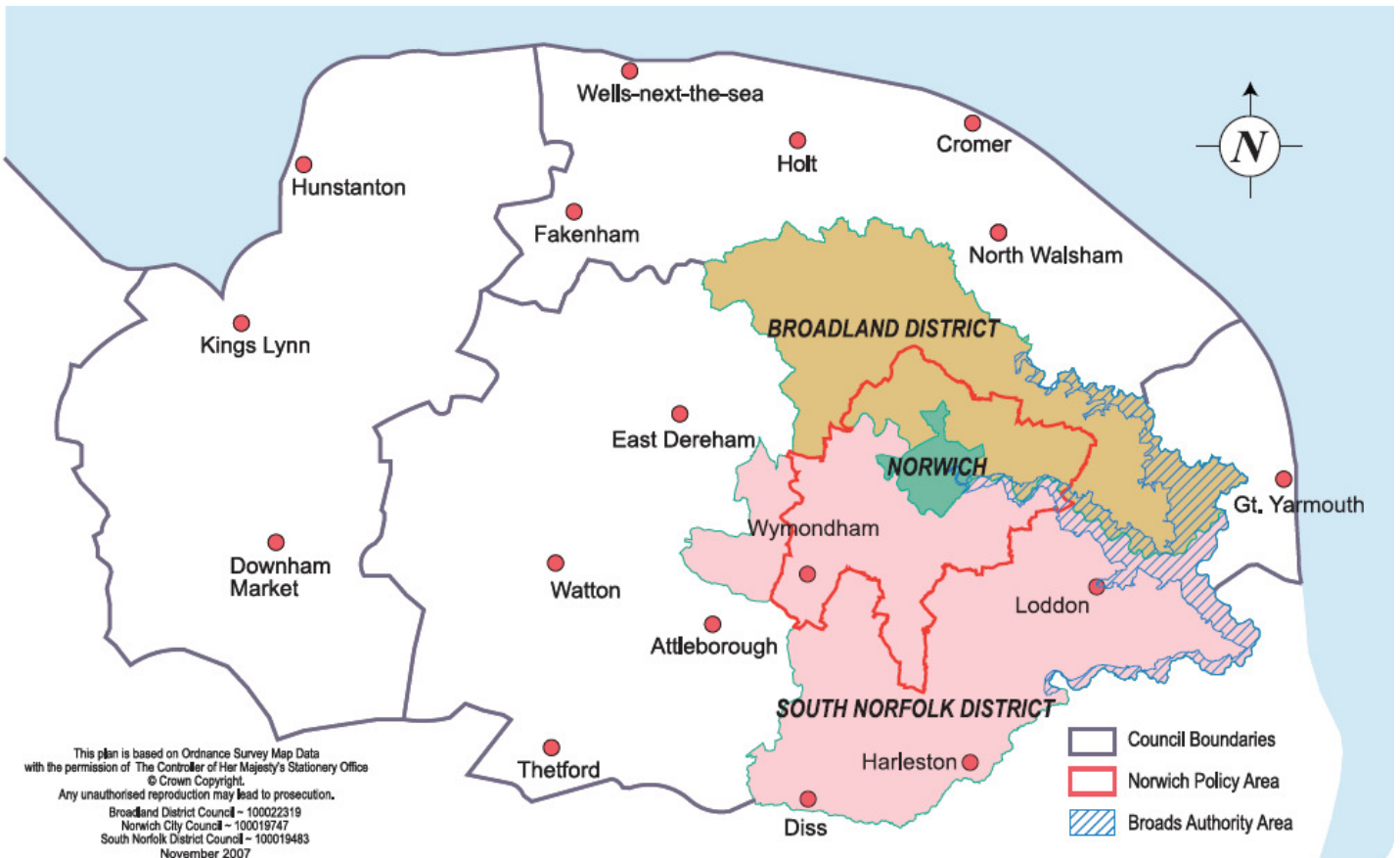


## Greater Norwich March 2011



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	↓

Overall a positive month for many sectors including Creative, Digital, Engineering, Tourism and £26m secured for the Norwich Research Park in the budget is a boost to the Health & Life Sciences sector.

There are contradictions in the energy sector as it emerged this month that several onshore wind-farm/turbine plans have not been successful at a time when RenEnergy has seen a boost to its order books due to a soaring increase in demand for renewable energy.

The number of people claiming Job Seeker Allowance dropped this month by 250 after reaching a 10-month high last month, but there is caution that further months may see an increase as public sector job losses are realised.

There were 492 redundancies this month which is the highest monthly figure since November, although this month's total only accounts for just over 50 percent of November's total. Sectors with the highest proportion of redundancies over the last 12 months include public service, construction and manufacturing. The latter two sectors have continuously suffered the hardest during this downturn period with public service being affected most recently.

With large rises in job vacancies last month, the greater Norwich districts have seen small increases this month with Norwich actually having a decrease of 19 percent. Overall Norfolk saw a decrease of 530 job vacancies.

House prices fell in Norfolk according to the Land Registry by £1,104 in February, with the Halifax index rising by 0.1 percent across the UK in March with predictions that house prices will fall overall by an average two percent in 2011.

## Conclusion

A positive month for many private sector businesses in a month when JSA claimants have decreased. Job vacancies have decreased and redundancies increased this month and this may be both due to public and private sectors looking to save money and make efficiencies for their long-term stability.

## Trading Climate & Confidence Levels

### Key Facts

**Lots of positive stories including expansion in the creative and digital sectors, both abroad and in terms of new clients, the NRP securing £26m in the budget and the English Whisky Company and SaxonAir making the most of upcoming events including the Royal Wedding and 2012 Olympics. Despite positive stories, there are jobs at risk as businesses look at saving money and becoming more efficient.**

### Agriculture & Food Processing

Figures revealed by the Food and Drink Federation shows that UK firms are exporting more than £10bn worth of food and drink for the first time. Exports rose for the sixth consecutive year in 2010 and were 11.4pc on 2009s level.

MPs are challenging Britain's big supermarkets to source 100pc of its pork products from Britain and support local farmers. Rising costs were not being passed up the supply chain to processors and retailers to the point that farmers were making on average a £21 loss on every pig sold.

#### Norfolk

Positive	Negative
A group of farmers in Norfolk has risen to the challenge to grow 'greener' potatoes for Walkers Crisps. The '50 in 5' initiative is to halve the carbon footprint of crisp production in 5 years.	

#### Greater Norwich

Positive	Negative
Crush Food, Swannington – produce bottled rapeseed oil and variety of dressings and pestos made from the oil and other local ingredients – has been set up since 2010 and is now selling products at Farmer's Markets and in several locations in the county including Jarrolds.	The Colman mustard factory, Norwich – could see 20 jobs lost as part of a £2.6m upgrade. The investment is aimed at improving efficiency and capacity at the Carrow site as part of the firm's growth targets.
Peachey's Preserves, Pulham Market – preserve making business from home – has entered the World's Original Marmalade Awards for the first time and won two awards. The business was set up after its owner was made redundant.	
Marel, Norwich, UK division of food processing equipment manufacturer – is set for double digit growth this year following a \$6m (£3.7m) US order for its new bacon slicer, and new machines in the pipeline.	

#### Other Areas

Positive	Negative
Homelea Farm, near Attleborough – duck farm – is set to expand after plans for a new breeding building and straw storage barn were approved.	
Bernard Matthews Farms, Great Witchingham – turkey farmer – has launched a £3m television advertising campaign featuring Spandau Ballet bassist Martin Kemp to promote turkey.	

Cornerways Nursery, Wisington – tomato grower – the third phase of expansion taking the greenhouse from 11 hectares to 18 hectares was formally opened this month. This will raise production from 80m tomatoes to around 140m, making it one of the largest tomato nurseries in the country.	
Pinguin, King's Lynn – frozen food production site – is to see work start on a multi-million pound high speed freezing production line along with a new 10,000 pallet cold store, more environmentally friendly biological effluent plant and a new development centre. The investment will safeguard 343 permanent and 200 seasonal jobs.	
The English Whisky Company, Roudham – has produced 3,500 bottles of the William and Kate Commemorative Decanter. The managing director believes this is the only commemorative whisky in the country being sold prior to the big day, and is priced at £65.	

## **Construction Norwich**

Positive	Negative
May Gurney, Norwich – infrastructure services – announced strong trading after an uplift in orders in the second half of the year after announcing new contracts with Anglian Water and South West Water worth up to £43m in the coming four years.	

## **Creative Norfolk**

The Arts Council announced this month which organisations will and will not be receiving funding. Five Norfolk arts bodies will receive funding totalling more than £5.1m across three years from 2012 including the Norfolk and Norwich Festival and Norwich Arts Centre

## **Greater Norwich**

Positive	Negative
Shorthose Russell, Norwich – communications, design, PR and digital services – has invested in new offices at Meridian Business Park, grown its work with existing clients and won contracts with major new clients in the past year. Social Media is a growing area of the business and have taken on a dedicated social media manager.	
Archant - regional media group – has announced operating profit for 2010 was up 157pc from 2009 as it continues to invest in new initiatives, grow circulations and look for efficiencies.	

## **Other Areas**

Positive	Negative
Jungle PR, Dereham – has won a contract to handle consumer PR for the east of England for the “home of racing” Newmarket Racecourse.	

## **Digital Greater Norwich**

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

## Energy

### Norfolk

There are questions over whether East Anglia can make its contribution to Britain's renewable energy target after it emerged that just four giant onshore wind schemes have received approval in Norfolk and north Suffolk in the last three years. In that time another five have been refused and another six are in planning or legal system.

Firms blame red tape, a 'broken' planning system, and opposition from vocal 'Nimby' groups for the small number of masts that have gone ahead in recent years.

It was also announced this month that the managing director of a Norfolk wind turbine firm, Wind Power Renewables, is selling up. He plans to sell to a larger developer with money, due to the attitude of residents and planners after unsuccessfully trying to develop six small-scale on-shore schemes in Norfolk and Suffolk. A new company, Icen Energy has been set up to develop 40-megawatt biomass power plants using cereal and rape straw which he believes are more acceptable to the public and planners.

### Greater Norwich

Positive	Negative
Add Energy, Hethel Engineering Centre – developed a unique anaerobic digestion system aimed at small farms – is seeking investment after sales were hampered because banks have been unwilling to provide finance for farmers for the systems. A new approach will be taken seeing the systems leased to farmers.	

## Engineering

### Greater Norwich

Norfolk County Council has won an award for the Hethel Engineering Centre at Hethel. The council was named winner in the Economic Development and Regeneration category at the 2011 LGC (Local Government Chronicle) Awards.

Positive	Negative
Group Lotus, Hethel – proposals to create new motorsport and chassis engineering buildings has been approved as part of their plan to increase production and bring more highly skilled jobs.	KLM UK Engineering, based at Norwich International Airport – aircraft maintenance – has announced a cost reduction programme aimed at saving £1.7m annually after a dip in demand coupled with a downward pressure on prices in the European aviation market. The programme may result in a reduction of 50 jobs.
BF1 Systems (formerly Beru F1 Systems, Diss – designs and manufactures high-tech components for the motorsport, automotive, aerospace and marine industries – has completed a management buy-out from its American owner, securing its future in South Norfolk.	
RenEnergy, Blofield Heath – designing, supplying and installing PV systems, air and ground source heat pumps and small wind turbines – has seen demand soar for renewable energy which will help double sales at the business this year.	
Mussett Engineering and Composites, Loddon – aerospace, composites, automotive, oil and gas and telecommunications – has produced	

metal and carbon fibre components for at least four Formula One teams including Virgin, Red Bull, Lotus Renault and Team Lotus cars.	
Proeon, Hethel Engineering Centre – control and safety systems for the oil and gas industry – is set to diversify into new sectors including renewable energy and the chemical industry following growing demand.	

**Environmental  
Greater Norwich**

Positive	Negative
ECOTW, Aylsham – new eco-friendly division of large-format digital print firm OTW Imaging – has been launched after the parent business has invested in new machinery. It will mean the company will have a significantly smaller carbon footprint than traditional print methods. The new division will use a water-based alternative to chemical inks and use Forest Stewardship Council-approved paper. It would also be able to create recyclable or biodegradable banners and compostable bubble wrap, card and paper-tape.	

**Financial & Professional  
Greater Norwich**

Positive	Negative
Clapham Collinge, Norwich and Sheringham branches – solicitors – has joined a growing national brand of solicitors, Quality Solicitors, now a network with nearly 200 locations.	
Targetfollow, Norwich – property firm – has revealed plans to rebuild the business through partnerships with City of London and foreign investors to acquire UK properties.	
Aviva UK general insurance arm, Norwich – saw a 26pc rise in profits in 2010 to £2.55bn. A focus on efficiency and successful advertising campaigns will put the insurer in a strong position for further expansion according to the business, despite a competitive UK market.	
There is speculation this month that Virgin Money is in talks to buy the Norwich and Peterborough Building Society. Virgin Money has long held ambitions to move into High Street banking.	
FW Properties, Norwich – property development – has been established by two former directors of Targetfollow.	

**Health & Life Sciences  
Greater Norwich**

Positive	Negative
Norwich Research Park has secured £26m in the budget. It is sharing in a £100m pot to boost research and jobs. The funding will help bring forward plans in the next two years for a commercial science park on the western side of the site which was part of a vision to create 5,000 new hi-tech jobs on the park and around Greater Norwich over the next 15 years.	
Norwich Research Park – will be working on a project with the Biotechnology and Biological Sciences Research Council, and ministry of science and technology in Vietnam, to sequence the genomes of 30 rice varieties and transfer the knowledge into new varieties. Experts will use the information to breed more resistant rice varieties.	

UEA researchers have discovered that a drug commonly used to treat rheumatoid arthritis may prove an effective weapon against the most deadly form of skin cancer. Tests showed that the drug, leflunomide, significantly reduced tumour growth in mice with human-like melanoma.

## Manufacturing

According to the Manufacturing Outlook report for the first quarter of 2011, more than nine in 10 of the region's manufacturers have reported improving or stable export order books over the last three months.

The CBI has said that the recovery in the manufacturing sector has gathered pace after order books hit their highest level for three years. UK manufacturers were boosted by growing domestic demand, with a balance of 5pc saying orders were above normal in March in its first positive reading since June 2008.

### Norfolk

#### Greater Norwich

Positive	Negative
Polyprint, Rackheath Industrial Estate – polythene film printing company – is set to expand in the food packaging sector after securing a key industry standard. While the company has supplied some orders for outer packaging, they will now be able to produce 'primary contact' packaging which comes into direct contact with food.	
Eco Fence & Doors, Rackheath Industrial Estate – make fencing and doors from recycled materials – has secured a record order to supply 160 utility doors to Swindon District Council as part of a refurbishment programme for waste bin enclosures and outside storage units.	

### Other Areas

Positive	Negative
Jeyes, Thetford – household cleaning and hygiene products – has secured £4.3m from RBS through its office in the Czech Republic. The money would be used to support the development of the company's operations in the region and increase product innovation capabilities across the group.	

## Retail

### Norfolk

Positive	Negative
Hughes Electrical, Lowestoft based – has completed the acquisition of part of Bennetts assets from administrators which will see six stores reopen as Bennetts with 110 jobs created. The stores to reopen are Dereham, Norwich Hall Road, Cromer, Martlesham, Farnham in Surrey and Colchester Tollgate.	Bennetts, Norwich – electrical retailer – has gone into administration. 228 staff have been made redundant as administrators look for a new buyer.

#### Greater Norwich

Positive	Negative
QD Stores, Norwich – discount retailer – has announced plans to open further stores in Norfolk despite a tough start to the year.	
Mattressman, Norwich – has announced plans for five new outlets this year, expanding its presence from East Anglia to the rest of England. It could then open a further 12 by the end of the year. The expansion, which will see it opening branches inside stores of national chain Focus DIY is	

to be backed by two television sponsorship deals.	
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### Other Areas

Positive	Negative
Around 120 local jobs could be created by a new supermarket in Holt as a family-owned DIY shop prepares to sell up to an unnamed national retail chain.	Traders in North Walsham are worried after a succession of business closures including Norfolk County Council Connexions centre and CST's Bar and Grill.
Norfolk House Company, Cromer – specialise in home interiors and soft furnishings – is to move to bigger premises in Norwich as part of an expansion.	

### Tourism

#### Norfolk

The 2011 EDP Larking Gowen tourism business survey –

- tourism businesses still see importance of investing in their offer
- majority of business owners are feeling positive about the future despite the difficulties in 2010

A new online map by the Environmental Agency showing water quality at more than 500 beaches around the UK has been launched, and of 19 Norfolk and Suffolk beaches, 15 have been awarded the highest possible cleanliness rating.

Positive	Negative
The Norfolk and Norwich Festival will stage the most free events in its history this year it has been announced. The festival contributed £9.2m to the Norfolk economy last year.	

#### Greater Norwich

Positive	Negative
SaxonAir's new Business Aviation Centre, due to open this May, is to act as an overflow from London for aircraft arriving for the Olympics next year. Private jets will either drop passengers at London before flying on to Norwich to park or will land at Norwich with passengers travelling on to London by helicopter.	
Two new guides, 'Norwich Visitor and Shopping Map' and 'Norwich, Norfolk Broads and Countryside' have been launched this month to coincide with British Tourism Week. In addition the I Love Norwich guidebook has been launched this month including tips and trails through the city.	
The Broads has become just one of four of Visit England's 'Pathfinder' destinations, giving national recognition to the quality on offer for tourists visiting the Broads. Unfortunately the Broads will not become a World Heritage Site after failing to be included in the UK's latest tentative list to be considered by Unesco.	
A Norfolk footpath has received a tourism boost after a project began to install new signs on the 38-mile Boudicca Way.	
UK Holiday Group, Norwich – over 55 holidays specialist – saw an 11pc increase in sales in 2010 to £26m.	

### Other Areas

Positive	Negative
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Deepdale Farm, Burnham Deepdale – eco-friendly campsite – is hoping to expand with 10 new pitches, a play area and a space for dog walking.	
Holkham beach has been crowned the Best British Beach in the Coast magazine awards for the third year running, while Cromer Pier was voted the best loved in Britain and the Norfolk Coast Path also won its category.	

### Other Norfolk

An event was held this month to encourage businesses in the county to work together and make plans ahead of next year's Olympic Games.

Positive	Negative
The East Anglian Air Ambulance is looking for a new operator after ending its arrangement with a struggling aviation firm, Sterling Aviation, who are based with Norwich Airport.	

### Greater Norwich

The planned closure of Great Yarmouth's heliport and movement of the service to Norwich has been put on hold indefinitely. CHC Helicopter, formerly CHC Scotia Ltd, said that 'under current market conditions' the plan to move to the city's airport was not viable.

Positive	Negative
Carluccio's, Norwich – Italian restaurant chain – is moving into the upstairs floor of the former Borders store at Chapelfield shopping centre.	
CVS, Diss – veterinary group – saw sales grow by 21.7pc to £50.5m in the six months to December 31 compared to the same six months last year, mostly due to acquisitions.	
Nationwide Industrial Compliance and Education (Nice), Swainsthorpe – training firm in environmental health – is to launch a centre at King's Cross in London working with a firm called Janitorial Express allowing the firm to offer training to other firms in central London. The business was set up with a £10,000 loan from the Norwich 4 Business start-up scheme.	
Office2office, Norwich – stationery and business services – has seen profit before tax drop between 2009 and 2010 partly due to cuts in public sector spending. The decline came despite a 10.8pc increase in sales driven mainly by acquisitions. But the company is said to be well positioned to benefit from economic recovery after shifting towards private sector customers, which now account for almost two thirds of revenue.	
Norse, Norwich – commercial services – has secured school travel contracts worth almost £300,000 with the local authority. The firm has also set up Norse Fencing after infrastructure services firm May Gurney axed its fencing division earlier in the year.	
Gasway, Norwich – has been handed a £9m contract by the Norwich City Council to fix boilers and central heating in the city's 16,000 council homes for the next six years and will take on 20 former Connaught staff who were made redundant when Connaught went into administration last autumn.	

### Other Areas

Positive	Negative
Howes of Fakenham – car dealership – has ceased trading with a loss of nine job losses.	
Gressenhall Farm and Workhouse – has reopened after four months of redevelopment. The site attracted 70,000 visitors last year and is the second most popular Norfolk museum after Norwich Castle.	

## Other Information

The region's business saw an uplift in overseas orders last year, boosting hopes of an export-led recovery. Regional trade estimates from HMRC yesterday showed businesses in the East of England exported goods worth £22.7bn, up 11pc from 2009. While the rise was smaller than the 16.2pc nationally, HMRC said the number of companies exporting in the East of England rose at a faster rate than any other UK region between the last quarters of 2009 and 2010, up 5.7pc.

Woods and forests contribute £1.3bn a year to the east of England, according to a report by the Forestry Commission, and warn of a 'significant impact' in Norfolk if any are sold off by the government. The government had proposed selling off 15pc of land managed by Forestry Commission England, but that was suspended until extra protections on access and biodiversity are put in place.

The Budget was announced this month. Headlines include:

- annual growth forecast revised down from 2.1pc to 1.7pc in 2012
- 21 new enterprise zones to be created
- £100m extra to be invested in new science centres, £26m for the Norwich Research Park
- £350m worth of regulation on businesses to be removed
- Corporation tax will be reduced by 2pc, and by 1pc in each of the following three years to bring it to 23pc
- Relief for entrepreneur tax doubled to £10m
- Rate relief holiday for small businesses extended to October 2012
- Government will now be delivering 250,000 more apprenticeships over the next four years, which could equate to 7,100 in the East of England.

### **Norfolk**

Norfolk County Council's mental health home support team is to be wound up in September 2011 with the loss of 23 jobs. The team offers practical support to people with mental health problems to enable them to live independently.

The Norfolk Knowledge Innovation Panel has been launched by the UEA's Norwich Business School and will offer support through experienced mentors alongside financial assistance to help innovative companies from across the county.

### **Greater Norwich**

Broadland District Council has reaffirmed its commitment to helping fledgling businesses in the wake of figures that showed Norfolk lagging behind the rest of the country in new start-ups. The council will continue to provide grants and fund free support and advice courses for new enterprises in the district.

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**

Small magistrates courts in Swaffham, Cromer and Thetford are to close, among 140 courts closing nationwide. The Ministry of Justice argues that all have been in decline for years, only sitting two or three days each week and most are in need of expensive renovation.

## Unemployment

### Key Facts

**Norfolk JSA claimant count was 17,854 in March, down 250 or 1.38% since February 2011 and down by 1,487 on the year, a 7.69% decrease since March 2010.**

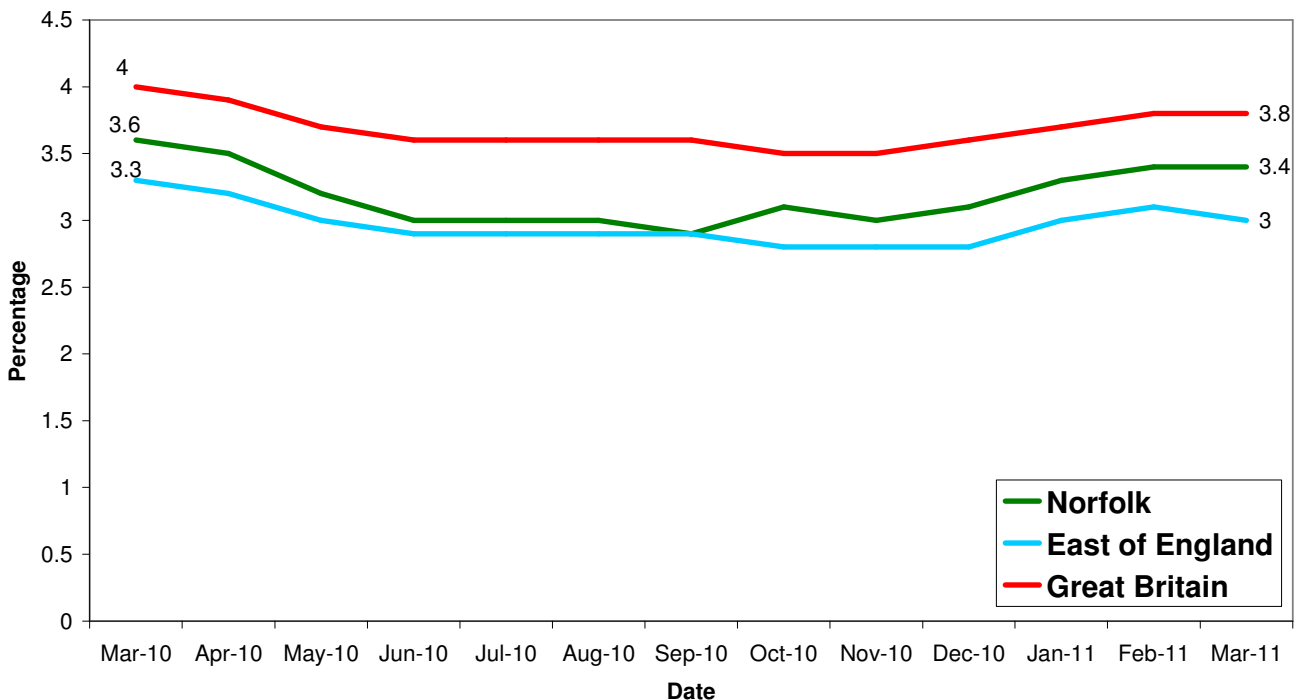
*Source: Job Centre Plus*

Chancellor George Osborne is facing grassroots pressure to do more to kickstart growth in the economy amid fears that hundreds of public-sector workers facing redundancy could be 'left on the scrapheap'. With the chancellor set to deliver his budget on March 23, and figures showing the economy shrinking, there are growing calls for him to do more to stimulate job creation.

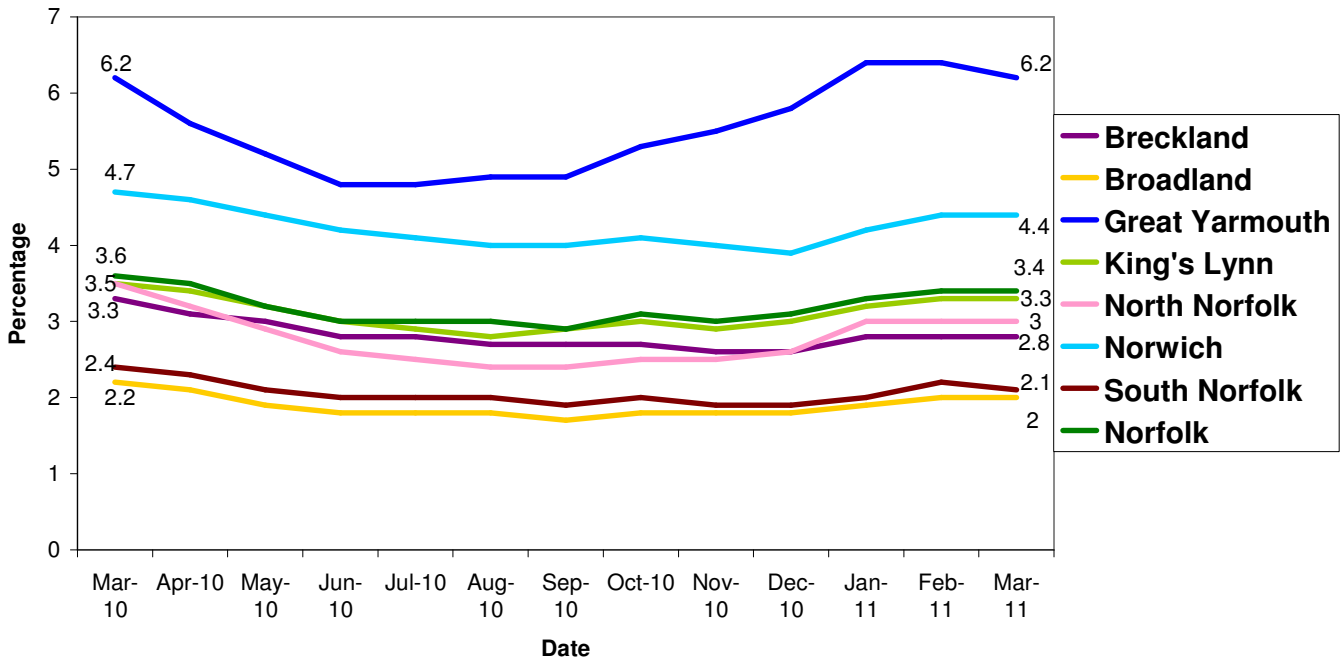
A recent Barclays Corporate Job Creation survey found almost two thirds of businesses in the region would not be prepared to take on public-sector workers who had lost their jobs through spending cuts, while 40pc believed they were not suitably skilled.

Union leaders are warning of a 'crisis' in female unemployment following a big rise in the number of women out of work over the past year. Male employment started to recover – it was up by 238,000 in the past 12 months – compared with a fall of 19,000 among women. The number of jobless men fell by 31,000 in the past year but rose by 71,000 for women.

## 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	17,854	3.4	-1,487	-7.7%
Breckland	2,257	2.8	-348	-13.4%
Broadland	1,508	2.0	-151	-9.1%
Great Yarmouth	3,680	6.2	10	0.3%
King's Lynn & West Norfolk	2,808	3.3	-191	-6.4%
North Norfolk	1,701	3.0	-294	-14.7%
Norwich	4,392	4.4	-260	-5.6%
South Norfolk	1,508	2.1	-253	-14.4%

Source: Job Centre Plus

6,900 claimants in March 2011 were from the Norwich Job Centre Plus office, a 8 percent fall from 2010, a decrease of one percent since February 2011.

## Redundancies

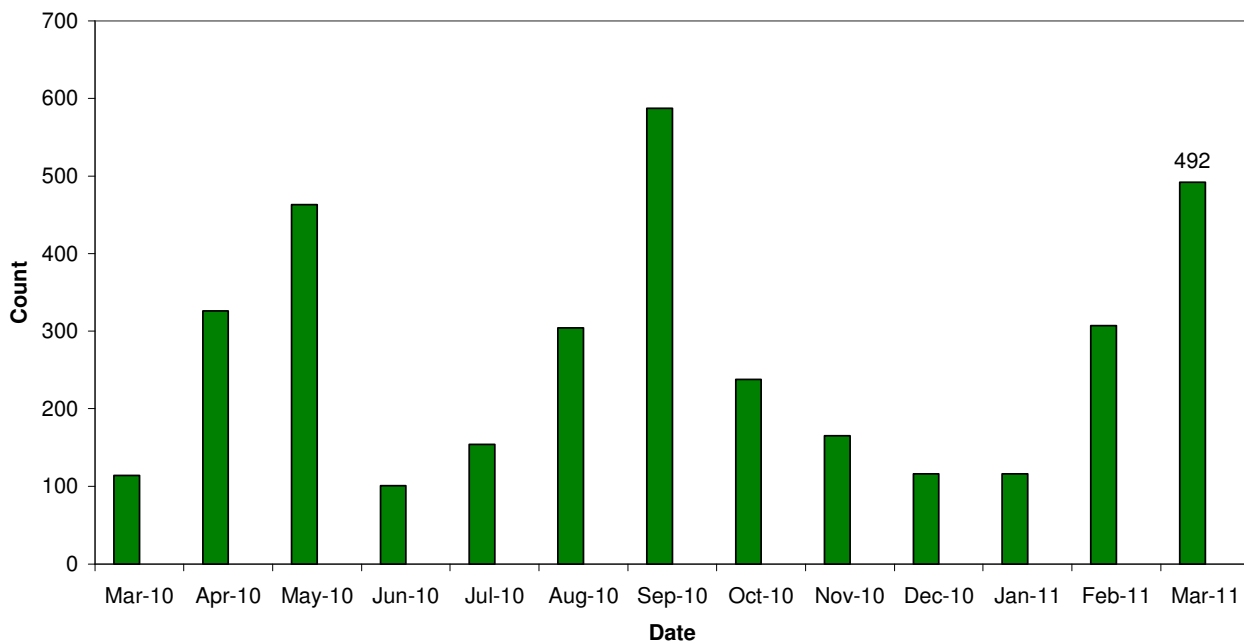
### Key Facts

There have been 10,067 redundancies notified to Job Centre Plus between July 2008 and 31 March 2011, with an increase of 60.26% since February 2011. Of these 47.01% have been in Norwich, 6.9% in Broadland and 5.15% in South Norfolk.

The hardest hit sectors over the last 12 months are public service (32.17%), construction (12.39%) and manufacturing (7.9%).

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 <sup>rd</sup> March	3	28 (33.73)	48 (57.83%)	7 (8.43%)
10 <sup>th</sup> March	4 and a 1/2	20 (19.80%)	66 (65.35%)	15 (14.85%)
17 <sup>th</sup> March	3	14 (22.58%)	42 (67.74%)	6 (9.68%)
24 <sup>th</sup> March	3	23 (26.74%)	57 (66.28%)	6 (6.98%)
31 <sup>st</sup> March	4	23 (19.66%)	81 (69.23%)	13 (11.11%)

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


## Job Vacancies

3,622 jobs in Norfolk were notified to Job Centre Plus. Of these 66.39 percent were full time positions. Notified vacancies were down 12.76 percent from February's total.

In terms of district vacancy notifications:

- Broadland had 449, an increase of 39 percent since last year and an 11 percent increase from February.
- Norwich had 890, a drop of 35 percent since last year and a 19 percent decrease from February.
- South Norfolk had 378, an increase of 35 percent since last year and a 7 percent increase from February.

Agriculture, hunting and forestry	45	21
Manufacturing	152	186
Electricity, gas and water supply	9	60
Construction	145	91
Wholesale and retail trade	442	407
Hotels and restaurants	302	261
Transport, storage and communication	149	62
Financial intermediation	89	61
Real estate, renting and business activities	1,366	1,644
Public administration/defence/compulsory social security	133	200
Education	134	78
Health and social work	376	263
Other community, social and personal service activities	368	152
Column Total	<b>3,710</b>	<b>3,486</b>

 Industry sectors with falls in job vacancies

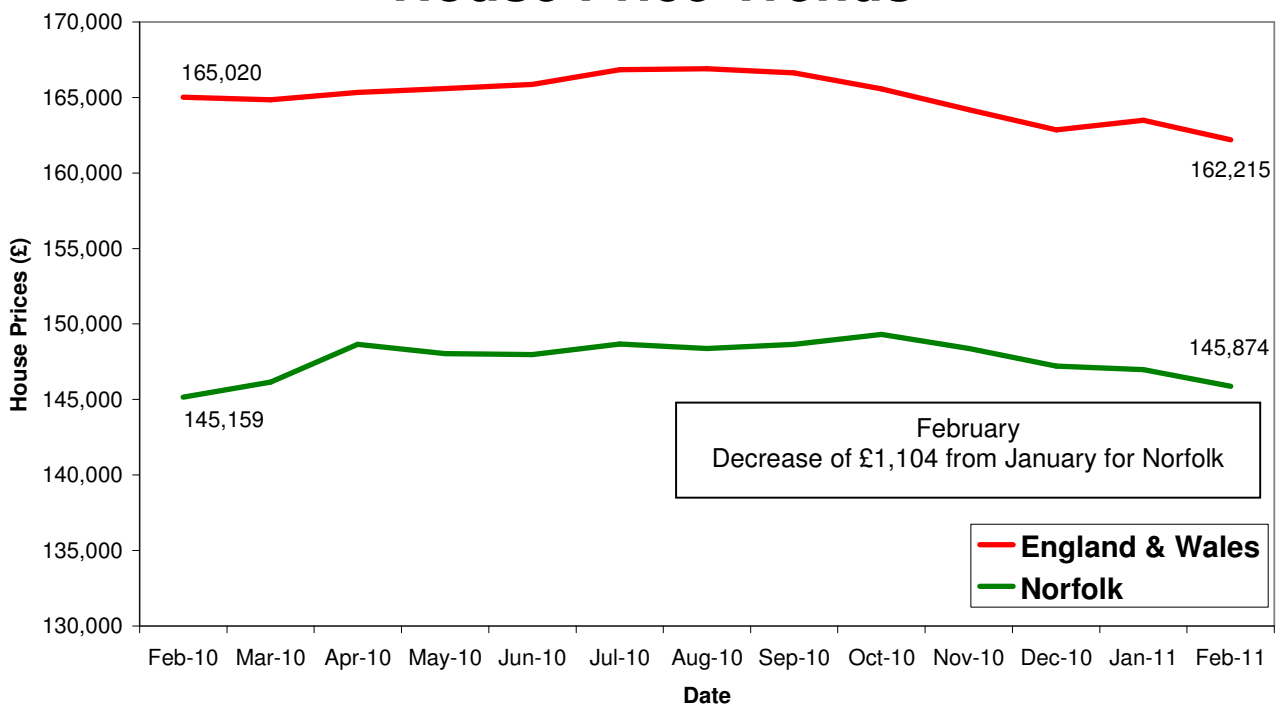
## Housing

### Key Facts

- **UK house prices increased by 0.1% in March.** Prices in March were 2.9% lower than a year ago as measured by the average for the three months to March against the same period a year earlier.
- **Average House price £162,912**

Source: Halifax House Price Index

## House Price Trends



Source: Land Registry