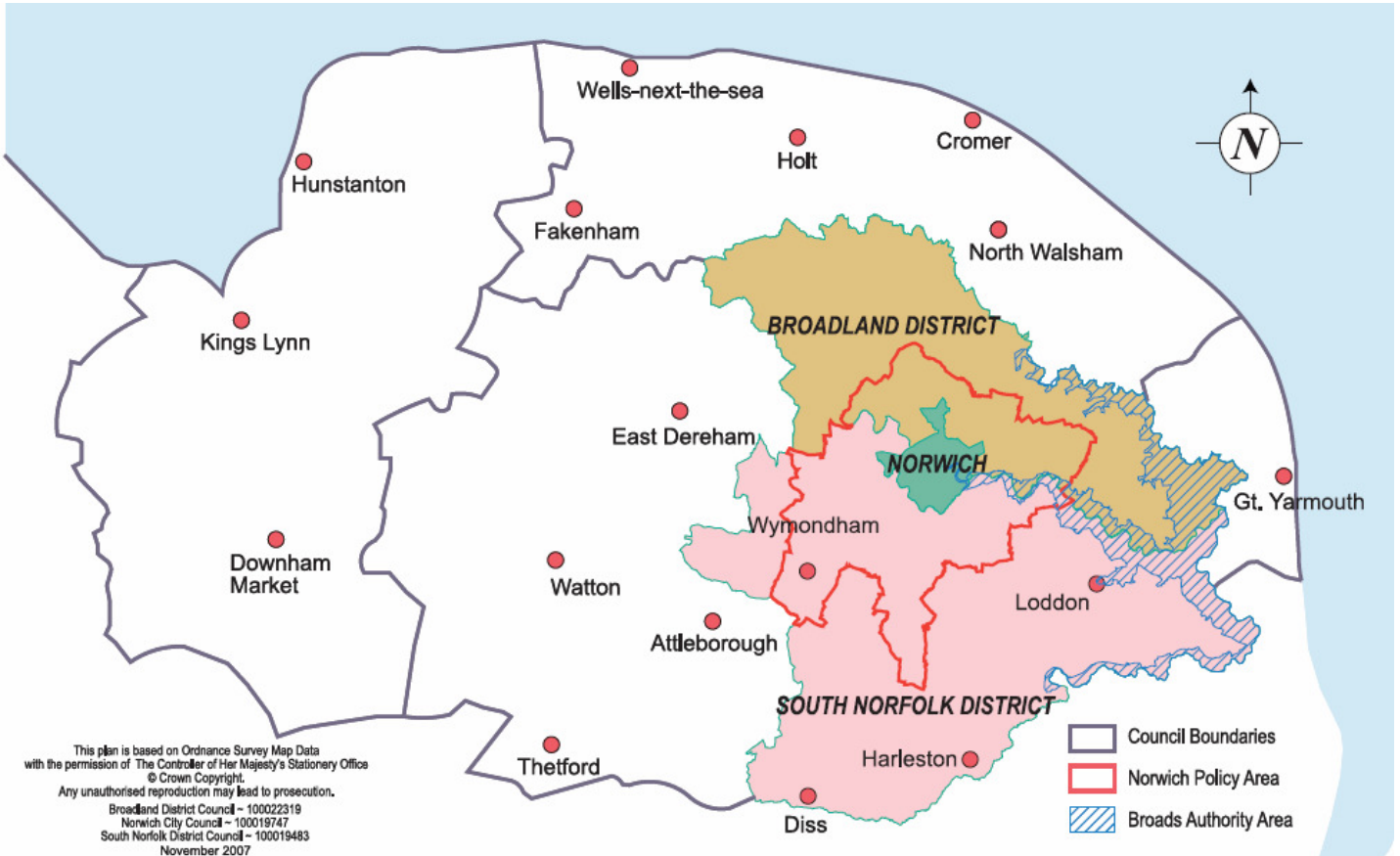


## Greater Norwich May 2010



Please note that this report concentrates on Greater Norwich (Norwich, Broadland and South Norfolk) 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 ↑ for Norfolk ↓ Nationally

This period covers the latter stages of the general election campaign and immediate aftermath, and shows the Greater Norwich and Norfolk economy in better health than had perhaps been anticipated.

Whilst the general election campaign brought some uncertainty and delayed decision making for national businesses, more locally May seems to have been a largely positive month.

Across Norfolk's main sectors there were a large number of positive announcements by businesses.

In agriculture and food for example, Broadland-based Bernard Matthews announced the acquisition of Lincs Turkeys, while the Cornerways nursery in King's Lynn was granted permission to extend its tomato glasshouses, creating up to 150 jobs.

Norwich photography supplier Warehouse Express returned to profit after a £1m loss last year, while Aquaterra Energy from Norwich won a £2m contract in Egypt.

And a survey by the Royal Institute for Chartered Surveyors saw construction firms more positive, although a lack of finance remains an issue.

However the impact of public sector cutbacks is beginning to look over the economy.

Jobless numbers have continued their downward trend.

Norfolk's Job seekers Allowance claimant count was 17,222 in May, down 1,186 since April and down 766 on the year. The jobless total in Norwich has continued its downward move after a spike in March.

However, unemployment levels are likely to fluctuate, with an increase in redundancy notifications a worrying development.

Redundancy notifications between February and May have risen sharply – up to 463 in May. Public sector redundancies made up more than half this total.

House prices in Norfolk continued their gentle upward trajectory, although UK prices fell.

## **Conclusion**

Positive news from the private sector, with business confidence growing in most sectors.

However the recovery by private sector firms is beginning to be overshadowed by cutbacks and redundancies in the public sector.

## Trading Climate & Confidence Levels

**Key Facts:** A raft of positive announcements of deals and investments by companies across a range of sectors. Acquisition by Bernard Matthews, and investment by British Sugar in its Cornerways nursery. Other businesses have reported improved performances, such as Warehouse Express in Norwich, and expansion plans, eg Alan Boswell. Others are investing FL Plastics in Norwich. Significant new orders for Hethel-based Watermist and Aquaterra in Norwich.

### Agriculture & Food Processing Greater Norwich

Positive	Negative
Bernard Matthews has made its first acquisition in about 20 years - Lincs Turkeys, a firm with £23m turnover and £1.55m profit in 2008. New orders for Christmas turkeys have safeguarded nearly 140 jobs previously under threat of redundancy, meaning only 22 jobs would be lost.	
Roger Harris Wines, Weston Longville – worked with French wine merchant Paul Spain over three years to produce new type of plastic bottle which can keep wine for at least two years – is supplying Marks & Spencer’s entire range of 25cl wine bottles, and has also won a contract with Waitrose for its own South African wine range, Khulu Sky, in full size 75cl plastic bottles for stores near festivals this summer. The firm has a turnover of £500,000 and employs five staff.	
Sinclair, Bowthorpe – manufactures and leases fruit labelling machines – sales for the year ending December 2009 were up to £32.4m, from £29m the previous year. However, profit was down to £6.6m, from £7.7m in 2008. The firm said that the rest of 2010 would remain competitive for business.	
Woodforde, Woodbastwick – brewery – has launched a cask of ale ‘Game On’, ahead of the World Cup. The canaries have chosen the Game On to be the cask ale at the various hospitality events being held at Carrow Road during the World Cup, and more than 20 pubs have already taken delivery of the beer.	
Naked Wines, Norwich – online wine retailer – has sold nearly £30,000 of an unknown producer’s wine in hours after launching a new	

<p>buying model where customers buy before it's shipped. The company took the wine to the London Wine Fair this month, where a group of customers chose a shortlist and then picked a winner. Within an hour and a half of it going on sale online that day it had sold out even though it was still in the country of origin, Chile.</p>	
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**Other Areas**

Positive	Negative
<p>Cobb Breeding, Dereham – chicken farm which exports around the world – is looking to redevelop its 2.45 hectare site as their buildings are over 40 years old.</p>	
<p>A group of East Anglian farmers has announced plans to build a £7m advanced grain processing centre at Snetterton as part of a nationwide supply network. The development - partnered by farmer-owned grain business Openfield - is modelled on Camgrain's new facility east of Cambridge. When the final phase is completed, which is expected to be about 2013 at a total cost of about £14m, it would condition and store about 85,000 tonnes of grain for local end-users.</p>	
<p>Cornerways Nursery, Wisington – UK's biggest tomato producer - has been granted permission to build another 18-acre greenhouse with the creation of up to 150 jobs. It means production could increase by 60% and if all goes well, the facility could be up and running in 2011. The tomatoes from Cornerways will form part of the National Farmers' Union showcase of the best of British produce at the Chelsea Flower Show.</p>	
<p>Cranswick, Watton – pork products supplier behind the former Bowes of Norfolk firm – sales increased by 22 percent to £740m in the year to March 31, while pre-tax profits lifted to £43.8m from £34.7m a year earlier. Sales of cooked meats rose by 13 percent, sausages by 23 percent and bacon by 61 percent, supporting its decision to invest in these categories in recent years.</p>	
<p>Norfolk Lavender, Heacham – saw a sharp increase in turnover in the last financial year to £1.6m – up from less than £1m in 2008 to 2009 when it went into administration before being brought by local businessmen. Visitor numbers</p>	

are the highest they have been for 11 years, increasing from 180,000 in 2008 to 250,000 last year and the centre has new attractions and species of lavender.	
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**Construction  
Norfolk**

Positive	Negative
The region's construction firms are seeing an increase in workloads for the first time in two years. A survey by the Royal Institute for Chartered Surveyors (RICS) for the first quarter of 2010 showed 10 percent more chartered surveyors in the East of England reported rising demand for their services than those reporting falls. The positive news follows seven consecutive quarters of falls, with 9 percent more surveyors reporting falling trade in the last quarter of 2009 than those reporting an increase. But RICS said the upward trend masked "considerable sector variation" within the industry, with some surveyors reporting concerns over a lack of finance for development.	

**Other Areas**

Positive	Negative
Chalcroft, King's Lynn – has been commissioned to help create a new factory for GlaxoSmithKline's Coleford site in Gloucestershire which is set to bottle juice made from Norfolk fruit – blackcurrants for Ribena.	

**Creative  
Greater Norwich**

Positive	Negative
LSI architects, Norwich – is the first company in the east of England to be awarded the Community Mark by Business in the Community (BITC), an accolade held by 34 firms. The firm also won two awards for a community visual arts centre and auditorium and The Curve, part of the Forum.	
Warehouse Express Group, Norwich – specialist photographic supplier – has returned to profit after a £1m loss last year. The business is trading profitably, has implemented a new IT system and has also benefited from further new equity of £1.5m	

invested by the majority shareholder, Barclays Ventures.	
The Click, Norwich – design agency – are doing well and picking up leads at events recently attended.	
Four Agency, Norwich – creative marketing and advertising agency – has won a contract to become the new marketing agency for Chapelfield shopping centre.	

**Digital  
Greater Norwich**

Positive	Negative
P1 Technology Partners, Norwich – provide range of technology products and services - is looking to start selling its services and solutions internationally after the firm was boosted by an influx in new orders late in 2009 which saw turnover rise to £2.5m in the year, up from £1.3m in 2008.	
Soak, Norwich - digital marketing agency - will be working closely with 'The Economist Intelligence Unit' on a new research based website along with supporting media and marketing collateral. The Economist Intelligence Unit is the world's foremost provider of country, industry and management analysis. Its extensive international reach and unfettered independence make it the most trusted and valuable resource for international business throughout the world.	
Ipatter, Norwich – business networking-based website which aims to link businesses and customers by what it calls broadcasting short “patters” – has been launched with the hope of going global. It is a free website but the firm hopes to make money by giving members the option of promoting themselves on the site beyond their own network in paid for featured listings.	

**Energy  
Greater Norwich**

Positive	Negative
At the Sustainable 2010 Conference this month an individual with many years in the oil and gas industry reported that they are diversifying their skills and setting up their own specialised business in green energy as they see this as	

the future.	
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**Other Areas**

Positive	Negative
	Wells Field Studies Centre's future is uncertain after failing to break even after £88,000 of core funding was cut by education chiefs. One option being considered to prevent the educational centre from closing is to use the centre for the training needs of the green energy industry.

**Engineering  
Greater Norwich**

Positive	Negative
Watermist, Hethel Engineering Centre – company which provides specialist systems for putting out fires – has been set up by Fireworks Fire Protection and Warren Services to. The two firms have launched Hydramist to protect an archive covering 160 years of the nation's railways and more than 100 prisons. As part of a £1.4m contract delivered at the end of March, the firm supplied 200 mobile versions of Hydramist and 100 fixed units, this has led to £500,000 of follow-on orders up to the end of April.	
As reported last month, KLM UK Engineering reported they may be forced to leave Norwich International Airport if permission for aircraft testing was not approved. This month the planning application was granted, to allow testing of engines up to a noise level of 78dB with conditions. There is still concern that the upper noise limit and conditions may still hinder KLM.	
Aquaterra Energy, Norwich – oil and gas engineering – has won a \$3m (£2m) contract to provide marine drilling equipment for an Egyptian petroleum group.	

**Other Areas**

Positive	Negative
Impactbond, trades as H&S Engineering, King's Lynn – designs, manufactures and maintains plants and equipment for the food, chemical and power industries - has been bought by Ardsley Industrial Ventures (UK).	

<p>AIV is an Indian investment firm launched this year to form a \$75m portfolio of medium sized manufacturing enterprises.</p>	
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**Financial  
Greater Norwich**

Positive	Negative
<p>Insight Financial Associates, Norwich – tax and financial advice firm – has boosted its turnover to more than £4m after buying an East Anglian wealth management company Coniston Wealth Management. The firm has also launched a new division – Insight Corporate Solutions to offer corporate advice.</p>	<p>Virgin Money, Norwich – financial services – has been ruled out of the shortlist of buyers for the 318 high street bank branches being sold by Royal Bank of Scotland.</p>
<p>Aviva, Norwich – insurance – improved trading in both life and pensions and general insurance divisions in the UK contributed to a 16 percent increase in global sales, which hit £12.6bn in the first quarter of 2010. The UK life and pensions operation generated sales of about £2.6bn, up 14 percent on the previous quarter, while pension sales were up 10 percent. The firm has unveiled a new add-on travel insurance product to cover disruption caused by ash from the Icelandic volcano.</p>	
<p>Alan Boswell, Norwich – insurance broker – is planning to expand its geographic footprint in the region after winning its largest single piece of businesses for 26 years - to provide a healthcare scheme for the 2,500 member Anglia Farmers co-operative bringing a turnover of £1.3m in premiums.</p>	
<p>Loveday and Partners stockbrokers and financial planners, Meridian Business Park at Thorpe St Andrew – has been set up with seven staff and aim to work with private clients and small to medium-sized businesses across East Anglia.</p>	

**Health & Life Sciences  
Greater Norwich**

Positive	Negative
<p>The global research community have ranked the Norwich Research Park first in a league table of more than 88,000 institutions based on calculations from Essential Science Indicators of Thomson Reuters, which list original research reports and review articles. Researchers at the John Innes and the</p>	

Sainsbury Laboratory published in 1,134 scientific journals in the decade to December 2009 and were cited more than 42,000 times in other research papers.	
Globally respected scientist James Lovelock praised climate researchers at the University of East Anglia at the Hay Literary Festival in Wales stating they were some of “the best in the world”	

**Manufacturing  
Greater Norwich**

Positive	Negative
FL Plastics, Norwich – plastic bottle manufacturer – has invested more than £250,000 in machinery to boost its production by a potential 35,000 bottles per working day – or by 15-20 percent overall. The business makes an estimated 20 million bottles per year and turns over about £2m.	
Impress UK, Norwich – makes about 60 million tin cans for paints and coatings every year, 70 percent for retail and 30 percent for trade – will see its tins used to sell paint which has been designed to reflect colours used in National Trust properties.	
Peerless Plastics and Coatings, Thetford – specialise in applying decorative and protective coatings to plastic parts from the inside of cars and aircraft to the casings in Sky digi boxes – has seen two businessmen invest cash and support to help grow the firm from its current 31.5m turnover to £5m in three years, with a goal of reaching £10m after that.	

**Other Areas**

Positive	Negative
Ashford Commercial, North Walsham – has secured a contract with national social housing body Places for People to replace old double-glazed units with recycled ones in thousands of homes across the south and east of the country.	

**Retail  
Norfolk**

Positive	Negative
	<p>Uncertainty among the region's shoppers over the immediate economic future is holding back the retail sector according to independent store chiefs in Norfolk.</p> <p>The British Retail Consortium warned that increasing VAT to 20 percent would cost 163,000 jobs and cut consumer spending by £3.6bn.</p>

**Greater Norwich**

Positive	Negative
<p>The former Woolworth's department store on the Riverside Retail Park may be taken over by Matalan. Although nothing has been announced the department store is currently recruiting for full and part time sales assistants as well as a part time cash administrator.</p>	<p>Vergo, Norwich – department store – owners have called in administrations due to losses in the tough trading environment. Vergo had taken over the former Co-op store last summer</p>

**Other Areas**

Positive	Negative
<p>Aldiss, Fakenham – department store, employs 103 people – is investing £500,000 to modernise its industrial façade in addition to converting to low-energy lighting last year and starting work on an insulated roof cladding to reduce energy waste.</p>	
<p>Jaeger, King's Lynn – luxury fashion brand (customer service centre based in King's Lynn) – is looking to expand in key international markets and launch a new online offering this autumn after a 16 percent rise in annual earnings.</p>	

**Tourism  
Norfolk**

Positive	Negative
<p>Good weather the weekend of 22 and 23 May brought a welcome boost to the county's tourism sector with many people flocking to the coast and to attractions in the city.</p>	<p>A survey of Norfolk's hoteliers has revealed a dip in trade in March despite a rise in the rest of the UK. Room occupancy was up 6.1 percent to 67.4 percent, compared to the same time last year in regional UK, but the average room rate for regional hotels continued to suffer, dropping 6.1 percent to £61.57. In the Norwich area, room occupancy was down 3.7 percent to 58.4 percent, one of the lowest figures in the country and average room rates were down 2.6 percent to £63.50 and room yields was down</p>

	6.2 percent to £37.08.
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**Greater Norwich**

Positive	Negative
Members of the Broads Authority announced have agreed this month to submit a bid for World Heritage status for the Norfolk Broads. If the bid was successful it would help promote the site to visitors internationally.	
SaxonAir, Norwich International Airport – executive jet operator, employs 10 fulltime and six part-time people – has expanded its fleet by buying a \$6m Hawker 400XP while opening a base in Edinburgh.	

**Other Areas**

Positive	Negative
Norfolk Country Cottages (NCC), Holt and Reepham, has teamed up with the online farmers' market We Love Local Food to give holidaymakers a true flavour of the county. It means people staying at one of NCC's 360 holiday cottages can now have fresh local food and drink from more than 50 producers and suppliers delivered to their door.	
Hunstanton beach has been awarded a Blue Flag and a Quality Coast Award.	
Adnams, Southwold – brewer – and the Holkham Estate, North Norfolk have formed a joint venture which will see Adnams Hotels managing the Victoria at Holkham and The Globe at Wells next the Sea.	
Cromer and Sheringham Crab and Lobster Festival – has been hailed a roaring success as scores of people flocked to the two towns to sample what was on offer including food, a climbing wall, art and craft activities and take part in the Crustacea Crawl. A charity auction of the crustaceans at the end of the festival raised over £15,000.	

**Other**

**Greater Norwich**

Positive	Negative
Otraco, Brundall – provide hearing tests and protection devices – is looking to build the firm into a national network, take on staff and treble	The Wymondham Learning Centre – adult education facility which has helped more than 4,000 people get computer literate since it

<p>their turnover as they believe they are the only firm in the UK doing custom moulded ear defenders as well as testing. Currently the firm has a turnover of £65,000 to £70,000.</p>	<p>opened eight years ago – is set to close due to a six year funding shortfall.</p>
<p>NEWS, Norwich – business support agency – is merging with the Welland Enterprise Agency (WEA – offers business support services across South Lincolnshire and South Leicestershire) as part of a strategic move ahead of pending funding cuts post the May 6 general election. WEA will become part of the NWES group.</p>	
<p>Midwich, Diss – electronics distributor, employs about 180 people – saw a 6 percent increase in turnover to £173.6m in 2009, while pre-tax profits were up 88 percent at £6.4m – both record figures. The results follow a £2m relocation to Diss and a focus on customer service.</p>	
<p>Norse, Norwich – facilities management firm – has been re-awarded a three year contract to supply cleaning services to Cambridgeshire Police, worth £1.8m.</p>	
<p>Cooper Lomaz, Norwich – recruitment firm - is set to expand after securing a new finance agreement with Natwest.</p>	
<p>Drain Doctor Plumbing, Diss – a franchise of national chain - was set up at home three years ago is moving to new premises with the owners investing in a second van and new technician after growth.</p>	
<p>CVS, Diss – veterinary group – has a “significant pipeline” of future acquisitions after announcing that it has bought another four sites, bring the number of practices CVS has bought this year alone to 37. In total CVS now runs 205 surgeries, six diagnostic labs and one crematorium across the UK.</p>	
<p>Your Mortgage Solutions Norwich – mortgage, life insurance and protection provider – was set up last year by a woman who left the buy-to-let market after 10 years. Although slow to begin with the last three months have seen a reversal in fortunes.</p>	
<p>Core Vehicle Solutions, Loddon – car sales business – has sold more than £700,000 worth of vehicles in its first five months of trading. The company sources and supplies new cars for</p>	

individuals, small companies and business fleets, and also acts as a broker for finance products.	
<b>Other Areas</b>	
<b>Positive</b>	<b>Negative</b>
ASE Security – range of security services, employs 12 people – has been set up by a Norfolk entrepreneur after selling her third successive business – the Orgasmic café bar chain. Her previous two businesses were Orgasmic Wines, which was sold to Virgin Wines, and clothing swap website <a href="http://www.looksbetteronyou.com">www.looksbetteronyou.com</a> .	
Jark, Dereham – recruitment company – is set for a programme of expansion in staff and acquisitions after securing a £13m refinancing deal with Lloyds TSB.	
Grandma's Pantry, North Walsham – food shop – has opened and is a spin-off from the restaurant at the North Walsham Garden Centre selling home-made food and other locally sourced produce.	
Marston's Inns and Taverns, Fakenham – national pub chain – is looking to invest more than £2m in building a family focused bar and restaurant which could create up to 50 jobs.	

## Other Information

### Greater Norwich

City College Norwich is set to lose 20 teachers, more than 30 managers and a host of administrative staff, while the current nine schools of education will be reduced to six. It is believed that the college is facing an estimated shortfall of £6.55m over the next three years although further cuts can not be ruled out. The college insists that no courses would be cut and course quality would not be affected.

Targetfollow have started to clear the site that will become the £122m Harford Place development in Hall Road. The development plans to have a new Asda supermarket, new homes, shops and leisure facilities but there are still concerns that the economic downturn could affect the development.

The merging of South Norfolk and Breckland councils has been stopped over concerns about the business case of sharing services and approach to staff.

### Other Areas

The College of West Anglia has refused to rule out job cuts as it emerged it must find £21m to fund repairs to its aging campus – more than half of it next year.

Last year an £189m scheme to build new campuses in King's Lynn and March was mothballed after it emerged the government's Learning and Skills Council had run out of money.

## June Headlines

Simply Halal, south Norfolk - up to 300 jobs could be created as proposals to form one of the largest halal meat production operations in Europe take shape.

City Living Developments (Norwich), City Living Homes and Anglia Projects & Developments have gone into administration after encountering financial difficulties.

Anglia Healthcare – broker private health insurance has grown to deal with £1m in premiums after fewer than three years' trading.

Polyprint Mailing Films, Rackheath – has invested in an flexographic press to both expand its capacity and give it more flexibility in turnaround times after seeing a growing demand for polythene film wrapping for magazines and the mailing industry.

Norwich has ranked 10<sup>th</sup> in an annual survey of the UK's retail destinations with expenditure of £1,180m.

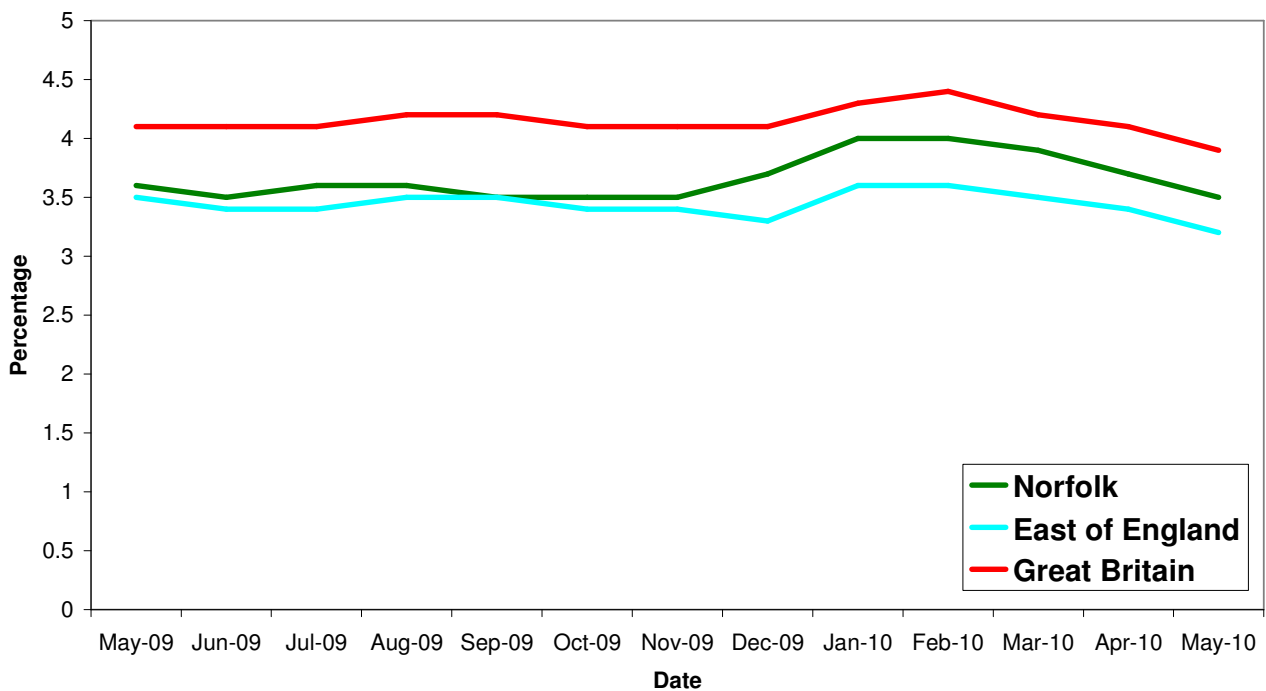
## Unemployment

### Key Facts

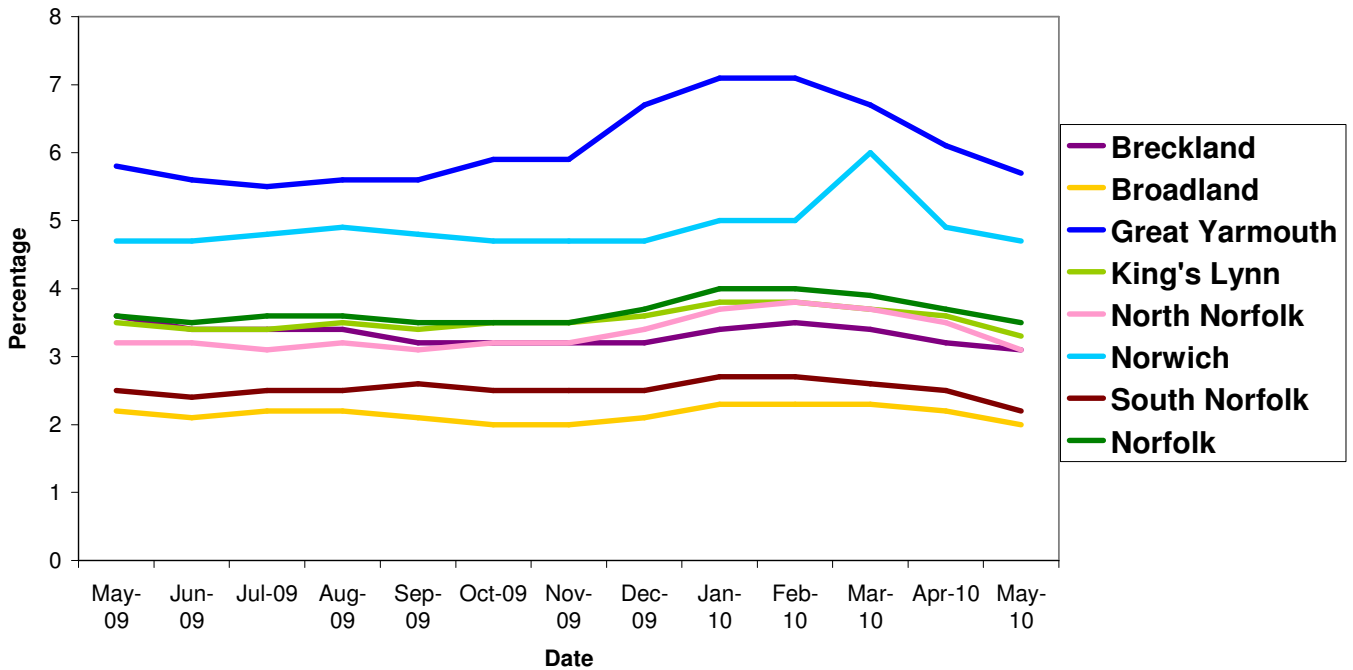
**Norfolk JSA claimant count was 17,222 in May, down 1,186 or 6.44% since April 2010 and down by 766 on the year, a 4.3% decrease since May 2009. Norwich continues to be over the Norfolk average by at least one percent, while Broadland and South Norfolk remain below Norfolk's average by one percent.**

*Source: Nomis, Official Labour Market Statistics*

## All people claiming JSA



## All people claiming JSA



Source: Nomis, Official Labour Market Statistics

Area	Count	%age of working age population	Change in count year on year	%age change in count year on year
Norfolk	17,222	3.5	-766	-4.3%
Breckland	2,386	3.1	-316	-11.7%
Broadland	1,469	2.0	-141	-8.8%
Great Yarmouth	3,112	5.7	-53	-1.7%
King's Lynn & West Norfolk	2,712	3.3	-133	-4.7%
North Norfolk	1,640	3.1	-81	-4.7%
Norwich	4,378	4.7	133	3.1%
South Norfolk	1,525	2.2	-175	-10.3%

Source: Job Centre Plus

6,939 claimants in May 2010 were from the Norwich Job Centre Plus office, a one percent fall from 2009, a decrease of 5.28 percent since April 2010.

## Redundancies

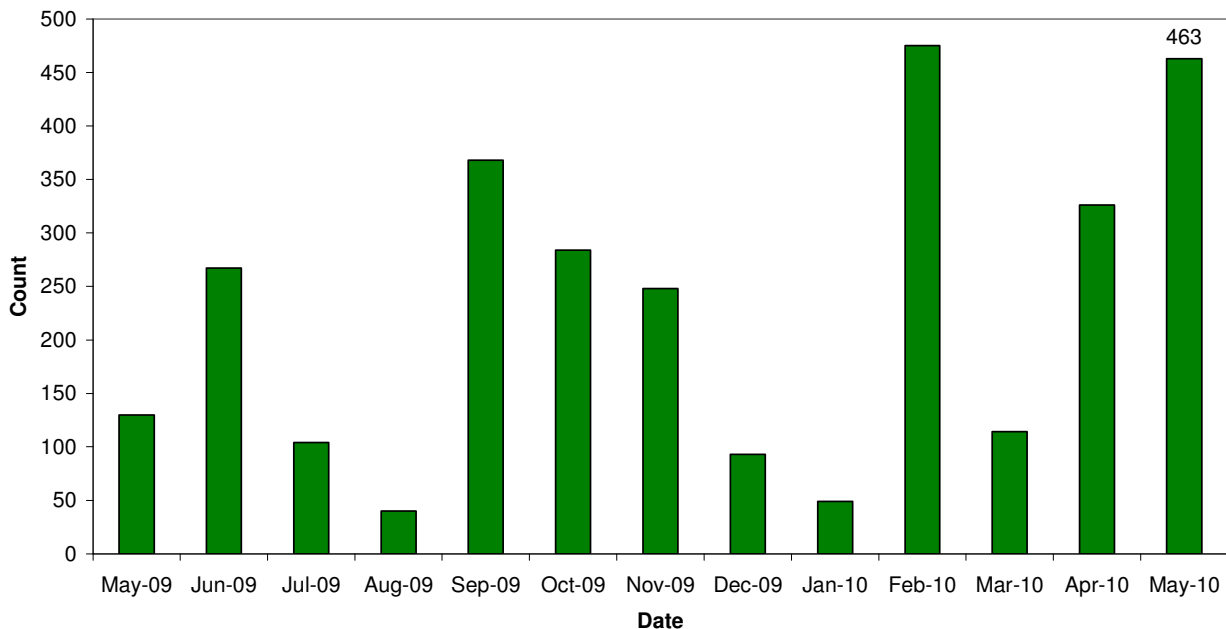
### Key Facts

There have been 7,725 redundancies notified to Job Centre Plus between July 2008 and 31 May 2010, with an increase of % since April 2010. Of these 52.5% have been in Norwich, 2.5% in Broadland and 2.5% in South Norfolk.

Sectors particularly hit this month include construction (56), retail (62), further education (175) and health and social care (64)

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> May	5	47 (38.84%)	61 (50.41%)	13 (10.74%)
13 <sup>th</sup> May	7	71 (30.21%)	97 (+ 50 on going temp) (62.55%)	17 (7.23%)
20 <sup>th</sup> May	7	47 (33.81%)	73 (52.52%)	19 (13.67%)
27 <sup>th</sup> May	5 and a 1/2	57 (41.91%)	61 (44.85%)	18 (13.24%)

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

## Job Vacancies


4,872 jobs in Norfolk were notified to Job Centre Plus. Of these 70 percent were full time positions. Notified vacancies were up 10.5 percent from April's total.

In terms of district vacancy notifications:

- Broadland had 265, a drop of 45 percent since last year and a 24 percent decrease from April.
- Norwich had 1,954, a rise of 79 percent since last year and a 5 percent increase from April.
- South Norfolk had 473, an increase of 32 percent since last year and a 42 percent increase from April

The Recruitment and Employment Confederation research among 400 recruitment firms showed that vacancies for permanent and temporary jobs continues to increase, and availability of staff also rose but at a slower pace than earlier in the year.

Industry	Norfolk	
	May 09	May 10
Agriculture, hunting and forestry	58	18
Manufacturing	81	210
Electricity, gas and water supply	20	32
Construction	249	159
Wholesale and retail trade	488	525
Hotels and restaurants	340	422
Transport, storage and communication	40	141
Financial intermediation	99	98
Real estate, renting and business activities	1,364	1,516
Public administration/defence/compulsory social security	166	114
Education	100	67
Health and social work	488	536
Other community, social and personal service activities	211	1,020
Private households with employed persons	5	12
Column Total	<b>3,709</b>	<b>4,870</b>

 Industry sectors with falls in job vacancies

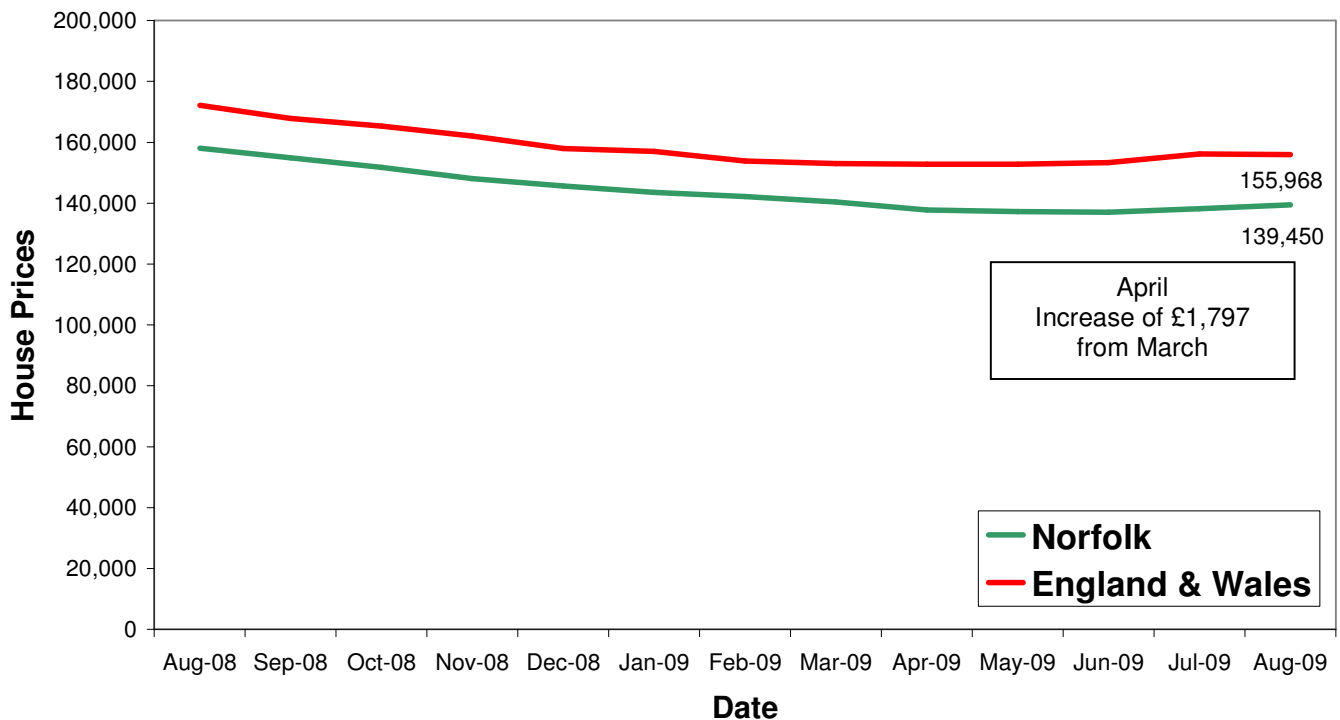
## Housing

### Key Facts

- **UK house prices decreased by 0.4% in May.** This followed a 0.1% fall in April. Prices are 8.3% above their April 2009 trough despite the modest decline over the past two months.
- **Average House price £167, 570**

Source: Halifax House Price Index

## House Price Trends



Source: Land Registry

A recent report presented to the Board of Moving Thetford Forward revealed a £16m plan to carry out radical changes to housing estates in Thetford including many affordable properties, upgrading existing houses, improving parking and converting a homeless hostel.