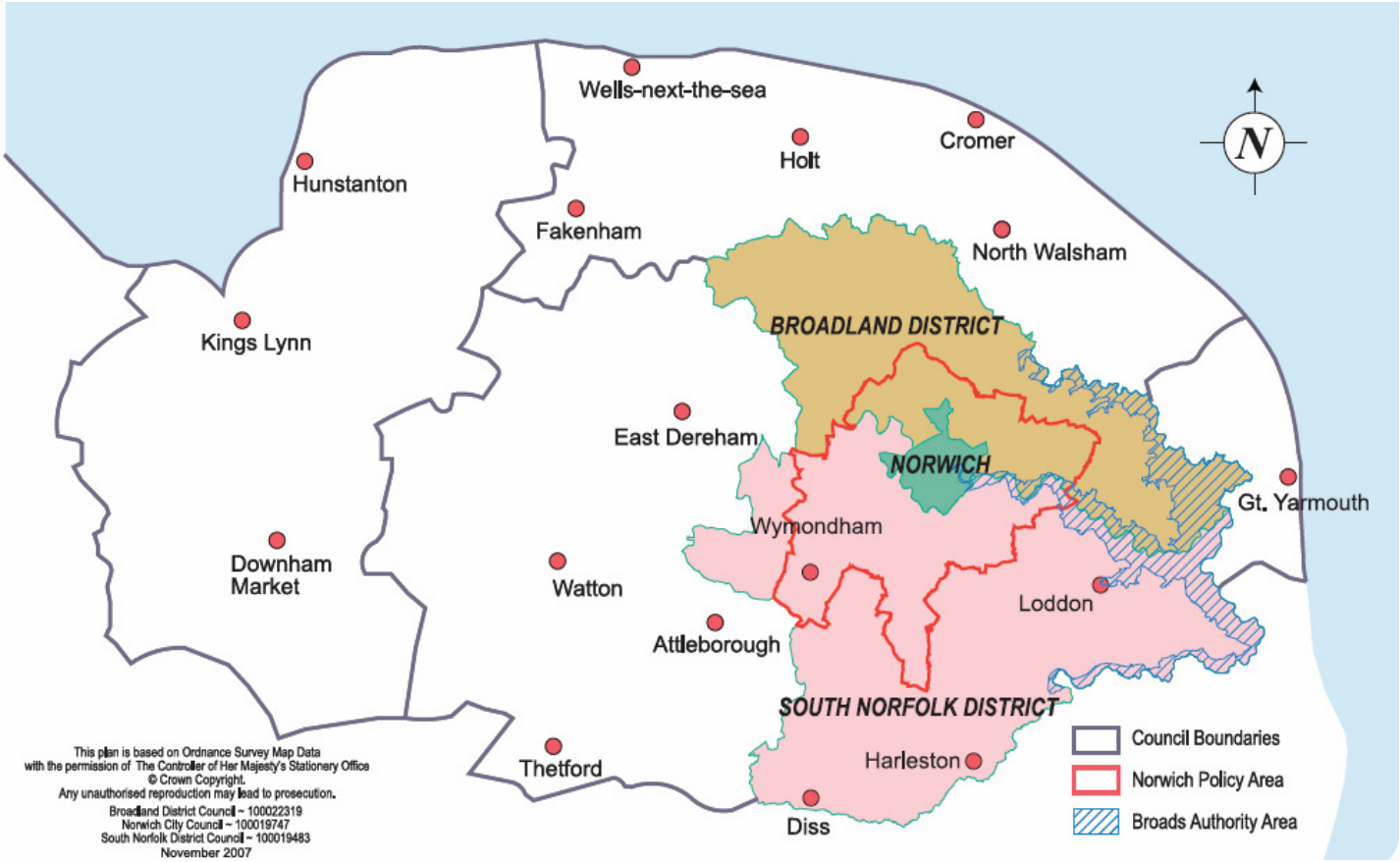
shaping norfolk's future
The County Economic Development Partnership

Greater Norwich August 2010



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

Summary

Business confidence ↑↓

Unemployment ↓

Redundancies ↑

Notified vacancies to Job Centre Plus ↑

House Prices ↑

The private sector recovery appears to be continuing to strengthen in most sectors across the sub-region.

Engineering, creative, digital, financial services and health and life sciences sectors have all seen positive growth, with positive news significantly outweighing negative announcements.

However the construction industry and general manufacturing continues to face significant challenges, with negative headlines and redundancy announcements, particularly in manufacturing.
Redundancy figures for Norfolk in August were 304 – of which 285 were in manufacturing.

In the public sector, significant job losses are anticipated over the next six months, although these are yet to feed into the unemployment statistics.

In fact the numbers claiming Job Seekers Allowance continued to fall in August, reflecting seasonal trends. Job vacancy levels were up year on year, but were down month on month in Norwich and South Norfolk.

The balance in job vacancies advertised in the EDP has now tilted significantly in favour of the private sector – with a significant reduction in public sector vacancies.

House prices in Norfolk rose very slightly between June and July, although the market remains fragile.

Conclusion

The majority of Norfolk's business sector, continue to make positive progress, although construction and manufacturing remain depressed. The impact of public sector cuts is yet to feed through, with unemployment continuing to reduce, although the rate has slowed.

Trading Climate & Confidence Levels

Key Facts
Positive news across many sectors this month with marketing company The Word winning an advertising contract with Haven Power, 150 jobs being created at Adrain Flux and the Norwich Research Park Innovation Centre opening. However, this month has seen construction suffer with profit falls at RG Carter, uncertainty at Morgan Sindall's construction arm and the closure of Aspen Windows.

Agriculture & Food Processing

Norfolk

Positive	Negative
	A drop-off in the popularity of farmers' markets could hit small-scale producers unless they plan carefully and diversify intelligently.
	Harvesting in the county is being affected by the patchy and heavy rain storms this month, with large amounts of crops left unharvested and exposed to the weather
The Marine Management Organisation has secured extra North Sea sole quota from the Netherlands and Germany so that fishing for sole can start again on September 1. However while welcomed, there are warnings it won't be enough to protect small businesses in the future.	The Department for Environment, Food and Rural Affairs has drawn up a list of areas where fishing, dredging and other activities are to be banned or restricted- marine protection areas. If the list is approved, areas in Norfolk which will be affected include Inner Dowsing, Race Bank and North Ridge. North Norfolk Sandbanks and Saturn Reef, Haisborough, Hammond and Winterton sandbanks.

Greater Norwich

Positive	Negative
Hall Farm, South Norfolk – free range hen farm has been granted permission to extend its business to incorporate an additional 16,000 birds.	
Longe Arms, Spixworth - public house – has been saved from closure after two locals stepped in with the support of previous owners Enterprise Inns	
Food waste from County Hall, Norwich, could be sent to the new energy plant at brewing company Adnams distribution site outside Southwold.	
Pelican Inn, Tacolneston – has converted a former tap room and is now selling real ale, cheeses, breads, jams and chutneys to test if a fully stocked village shop could work at the site.	

Other Areas

Positive	Negative
Breckland Orchard – premium soft drinks- has been named one of the region's top young businesses in the HSBC Start Up Stars Awards	
A West Norfolk engineer has developed a high capacity multi-bladed hemp harvester capable of cutting at high speeds. The InCrops Enterprise Hub at the University of East Anglia aided the project with funding and advice.	

Construction

Norwich

Positive	Negative
	Morgan Sindall's construction arm faces 'uncertainty' as the group reported a 10 percent fall in first half profits. Uncertainty is also around the future of public sector demand. Morgan Sindall is the parent firm of affordable housing firm Lovell, Norwich.
	May Gurney, Norwich – is launching a 30-day consultation looking at its resources as it faces reduced highways maintenance work. About 60 workers have been warned their jobs are at risk in a restructure. The posts under threat are all linked to the Norwich Strategic Partnership, an ongoing agreement under which the firm carries out a range of contracts for Norfolk County Council in partnership with Mott MacDonald.
	RG Carter, Drayton – has seen profits before tax fall from £9.5m in 2008 to £5.5m last year as tough trading conditions continued to hit the sector. In addition an £80m fall in sales and fines totally £3.15m for alleged bid-rigging contributed to the steep drop.
In June it was reported that City Living Developments, which was behind the planned 400-home St Anne's Wharf development went into administration with connected companies City Living Homes and Anglia Projects & Developments. However Norwich City Council said talks with the administrators had led them to believe fresh plans for the development could be submitted later this year – and raised hopes work could start next year.	The Hub Café and Gallery, Norwich – has closed for the time being due to a lack of footfall. The St Anne's Wharf development delay is cited as a reason.
	Aspen Windows, Lenwade – window supplier – is closing due to the poor economic climate with the potential loss of up to 100 jobs. Rehau, Herefordshire, who own the company are looking to possibly redeploy staff as part of the group.

Creative

Greater Norwich

Positive	Negative
Wymondham – Vivid Interface. Market research and brand development agency Vivid Interface has moved to a new office with a look to take on more staff and increase its turnover by 25% year on year.	
The Word, Norwich – marketing company – has won a contract to create advertising campaigns for energy firm Haven Power.	

Other Areas

Positive	Negative
Jungle PR, Dereham –have taken on two new staff after seeing	

turnover increase 25 percent over the past year.	

Digital
Greater Norwich

Positive	Negative
JMS Group, Hethersett – niche media firm – is recruiting new staff after creating state-of-the-art HD studios. The company makes thousands of radio adverts and around 200 television adverts each year. Recent work includes adverts put at the beginning and end of programmes for Channel 4s 'A Place in the Sun' and its relaunched 'The 5 O'Clock Show'	
Fission IT Ltd (trading as Braynboxers) –provide IT services to industry and individuals – created an iPhone/iPad/iPod app uSpell:iEVolve which has been listed number one in the iTunes 'hot' listing for word games.	
TSL Digital, Norwich – digital outsourcing firm – has doubled turnover every year since 2008 with a business model based on taking pressure off larger agencies.	
P1 Technology Group, Norwich – specialist IT firm – have developed a mobile technology device and are on the verge of launching it into the European market. Described as a ruggedised hand held device, a little like the Iphone, it will be used in industries such as logistics	
Tickles, Norwich – a new website set up to allow customers in and around Norwich to save money by bulk buying goods within 24 hours. A minimum number of people are required for the deal to go ahead.	

Energy
Other Areas

Positive	Negative
The Baird Gas Storage Project, Bacton – a joint venture between Centrica Storage (CSL) and Perenco UK – has taken a significant step towards completion has been granted onshore planning permission by North Norfolk District Council. Baird would be the second largest gas storage facility in the UK, helping secure future energy supplies.	

Engineering
Greater Norwich

Positive	Negative
Lotus Engineering, Hethel - has been test driving its new "green" black cabs which have zero emissions. Lotus is working with Loughborough based Intelligent Energy, which makes the hydrogen fuel cells, with the help of government funding with an aim to create the first fleet of green taxis and six hydrogen refuelling stations by the 2012 Olympics.	
Lotus has announced a new version of its Evora model with a more powerful engine to create the Evora S and Evora IPS (intelligent precision shift) option in a bid to broaden the brand's appeal.	
Aquatic – offshore engineering firm, part of subsea services group Acteon – has designed a new 500-tonne powered reel-drive system to meet market demand.	

Other Areas

Positive	Negative
Manley Engineering, Weasenham and Trident, Beeston – have collaborated to create a 186mph motorbike – 1,300cc Manley Trident, based on the Suzuki B-King. The bike is set to be sold around the world.	
Multi Fab, Attleborough – produce wide range of sheet metal products – is opening a new £1.5m factory this month to expand production to meet increased demand. 15 new members of staff have been taken on.	

Environmental

Greater Norwich

Positive	Negative
Norse Waste Solutions, Norwich – has extended its general and segregated recycling management contract with the University of East Anglia.	
The first hire boat on the Broads powered by a hybrid diesel/electric engine has been hired for the first time this month. The new Fair Princess is at Norfolk Broads Direct, Wroxham	

Other Areas

Positive	Negative
Scira Offshore Energy Ltd who are building the Sheringham Shoal Wind Farm has awarded its first set of grants. The company launched the Sheringham Shoal Community Fund and devoted £50,000 this year towards green community projects.	

Financial & Professional

Greater Norwich

Positive	Negative
Towry – Broadland Business Park. The investment advice firm has opened its first Norfolk office which accommodates for 15 staff. The company is undergoing major expansion in the region with more offices believed to be on the way.	
Larking Gowen Chartered Accountants, Norwich – has recruited two agricultural experts to advice on farming issues.	
Aviva, Norwich – has ruled out a break-up of the business after turning down a £5bn offer for its general insurance arm. Santander is to sell Aviva life-insurance products through its UK banking business under a 5 year deal with Aviva. Aviva say the deal will enhance Avivas competitive position and provide access to hundreds of thousands of new customers. Aviva have seen a 21% increase in profits, mainly down to the single brand and a slimmed down workforce. This has led to the regions largest public sector employer seeing global profits surge to £1.27bn	
TaxAssist Accountants, Norwich – supports 185 franchise operations in the UK – is set for rapid expansion after announcing plans to launch operations in Canada and the USA, followed by Australia and New Zealand, after seeking help from UK Trade and Investment.	

Other Areas

Positive	Negative
Adrian Flux, West Norfolk – insurance – is to create up to 150 jobs from November and expand the company. The company turns over £100m, four times the amount they turned over in 2000.	

Health & Life Sciences

Greater Norwich

Positive	Negative
Norwich Research Park – An ambitious £5m plan to create 5000 science and research jobs has moved forward with the opening of the NRP Innovation Centre at the Norwich Research Park.	
A hip surgeon at the Norfolk and Norwich University Hospital, who has pioneered a number of innovative treatments making it a centre of excellence, has been named one of the very best in the country.	
A computer sciences PhD student at the UEA is developing a computer programme which can tell a child's bone age from an X-ray. When the technique has been developed it is hoped it will also be useful for other conditions such as osteoarthritis in the elderly.	
Scientists at the UEA are controlling a £150,000 robotic glider which is monitoring the waters of the Atlantic Ocean near Vigo in North-West Spain, to consider the impact of climate change. The UEA are working with the Instituto de Investigaciones Marinas in Vigo.	
Scientists at John Innes Centre have been leading a project to understand the precise make-up of wheat. The work will help plant breeders produce new wheat varieties and make them available to farmers even more quickly.	

Manufacturing

Greater Norwich

Positive	Negative
Snelling Business Systems, Blofield – builds bespoke audio visual systems – has won a contract to fit two Fred Olsen Cruise Line ships with almost 900 screens and emergency broadcast systems.	

Other Areas

Positive	Negative
	CPC Packaging, King's Lynn - offers printing, cutting and gluing services on packaging for the food and retail industry – has gone into administration with the loss of 95 jobs after a fire at the King's Lynn premises and high raw material prices had meant a difficult period for the firm. Production will continue at Fishponds, in Bristol, in the short term.

Retail

Norfolk

Positive	Negative
Footfall across the region in market towns has risen, with many shops reporting increased turnover over the summer after weathering the storm of big name store closures, the recession and job losses. The south Norfolk town of Harleston and fared so well that it has been touted as a role model for other market towns.	Retail sales growth slowed sharply last month, from a 1.2 percent hike in June to 0.5 percent in July, as fears over government spending cuts saw consumers focus on essential purchases according to the British Retail Consortium.

North Walsham has benefited from the 'staycation' effect with seven empty shops in the past eighteen months being reopened and the Thursday market becoming busier.	
Woolworths – all of the old Woolworths stores in Norfolk have now been filled with new stores. The county has bucked the trend as a report suggests that more than 300 former Woolworths stores around the county are still empty. Nearly a quarter of the former Woolies stores now house a discount retailer, and 15 percent have become supermarkets.	
Gfk NOP Consumer Confidence Index increased this month by four points, the first increase since February 2010. However, the gain reverses a similarly large drop in July, and remains at a level similar to that in May 2009 when the country was deep into the recession.	

Greater Norwich

Positive	Negative
One hundred jobs will be created when Matalan launches its new store at the Riverside Retail Park in Norwich.	
Hyde Furniture, making bespoke kitchens and handmade traditional and contemporary furniture is opening up a retail store in Norwich after previously trading and exporting their furniture abroad. Last year the company, which employs five staff, had a turnover of around £200,000.	
Roys, Wroxham – retailer – has reported steady training after investing in new technology and reducing prices. Turnover for the year ended January 30 2010 was £45.2m compared to £44.9 last year, and it made a profit after tax of £1.09m compared to £1.01 last year.	

Other Areas

Positive	Negative
The Tannery, Holt – sells high end leather goods - is opening a new store in Norwich's Royal Arcade.	

Tourism

Norfolk

Positive	Negative
Norfolk tourism bosses are anticipating an increase in visitor numbers and spending despite a national survey suggesting holidaymakers will be spending less this year.	
Norfolk Tourism and VisitNorwich have set out their list of demands after David Cameron promised to give the county's £2.5bn tourism industry the backing it deserved.	

Greater Norwich

Positive	Negative
The Broads Authority looks set to approve plans for a large conservation area in Wroxham, which would see a large area in the village and the surrounding countryside protected by the designation.	
Figures reveal that the Broads boating industry is enjoying a major boom, with a surge in bookings, investment in fleets and onshore	

facilities and new jobs,	
Dad's Army museum, Thetford – has seen an increase of 68 percent in visitor numbers from last year, and officials in the town believe it is down to the new statue of Captain Manwaring	
Arlington Hotel Group, which has five hotels in Norwich, Swaffham, North Walsham, Wroxham and Newmarket has seen an increase in trade of 30 percent thanks to the staycation effect.	

Other Areas

Positive	Negative
Cromer carnival took place this month with 80 floats.	The RAF Air Defence Radar Museum, Neatishead – has been forced to close suddenly after failing a fire safety inspection. It is expected it will cost £40,000 to £50,000.
The people behind Deepdale Farm campsite, North Norfolk, are setting up a marketing group 'East of England Backpackers' Network', to put the county on the backpackers' map.	

Other

Norfolk

Positive	Negative
EEDA has launched an Innovation Voucher Scheme, the £250,000 fund entitles businesses to up to £3000 of one-to-one collaboration with one of the regions top universities and research institutes to develop, challenge and improve projects in the pipeline.	A set of proposals has been drawn up which could see 165 (10 percent) of Norfolk police jobs go as part of an expected £10m funding gap.

Greater Norwich

Positive	Negative
Norwich Airport – Plans for a £6m centre to support business travellers have been approved. The Business Aviation Centre is aiming to meet the growing need for premium class flights and local business travel. The site will include a VIP lounge.	Norfolk County Council have revealed that 44 senior manager positions have been lost, saving £2.6m over a full year. A further 56 posts will be lost saving £4.1m. More than 90 county council posts are also disappearing as a result of the government's "in-year" grant reductions which total just over £10m, including 65 jobs being lost at Connextions.
EventGuard, Norwich – security firm – has won a two year contract with the Jockey Club to provide security staff for its Newmarket and Huntingdon racecourses. The deal is worth in excess of £100,000.	Connaught, Norwich City contractor - integrated services – have been locked in emergency talks with its creditors Royal Bank of Scotland which could lead to it being taken over with job losses.
New proposals by union bosses could save half of the under threat jobs at Connextions. Bringing in planned changes to the Connextions structure earlier – in December rather than January – would enable savings of £2.1m to be made in a full financial year. This is above the £1.4m the council missed out on after the area budget grant was reduced, but below the £2.8m the council has said it wants to save. The union says the £700,000 left in the	

Connextions budget by not cutting £2.8m, plus an additional £250k from not filling four new management level posts in finance, can be used to provide specialist one to one support for young people, saving about 30 jobs under threat.	
Saxonair, has won a 10 year contract to provide ground handling services at Norwich International airport.	
Able Community Care, Trowse – care company – has secured an 18-month contract with Australian Home Care Services to facilitate the launch of the service, the first of its kind in the state of Victoria.	

Other Areas

Positive	Negative
Green Dog food, Downham Market – holistic dog food made of 100 percent natural human grade raw materials and bio-active herbs - is predicting to turn over £500,000 this year after launching the food two years ago.	

Other Information

Norfolk

Business and local authorities in Norfolk have agreed to join forces and bid to form a county-wide local enterprise partnership (LEP) to tackle planning, housing, transport and infrastructure issues. If it is successful, the body would take over many of the functions of the East of England Development Agency.

Norfolk County Council employees will no longer be entitled to double the statutory redundancy pay, if the proposal is approved.

Greater Norwich

Two major transport schemes – a rapid bus transit system and St Augustine's gyratory scheme – have been boosted after the government confirmed more than £3m for the schemes would not be taken away.

Norfolk entrepreneur Graham Dacre has bought Norwich Livestock Market plus surrounding land and businesses for £5m. He has agreed to hand the livestock market back to the council on a long-term lease.

Other Areas

Breckland Council have appointed Terry Huggins as its joint chief executive, a role he will fulfil alongside his existing job at South Holland District Council. It is hoped the move will enable both authorities to save money by pooling senior management resources.

King's Lynn & West Norfolk borough council are proposing to close King's Lynn's medieval arts complex with art exhibitions being held instead in the Town Hall under planned spending cuts.

September Headlines

Naked Wines, Norwich – online wine retailer- has been ranked fourth in the Start-Ups 100 list published by startups.co.uk, which recognises exciting and fast-growing new businesses.

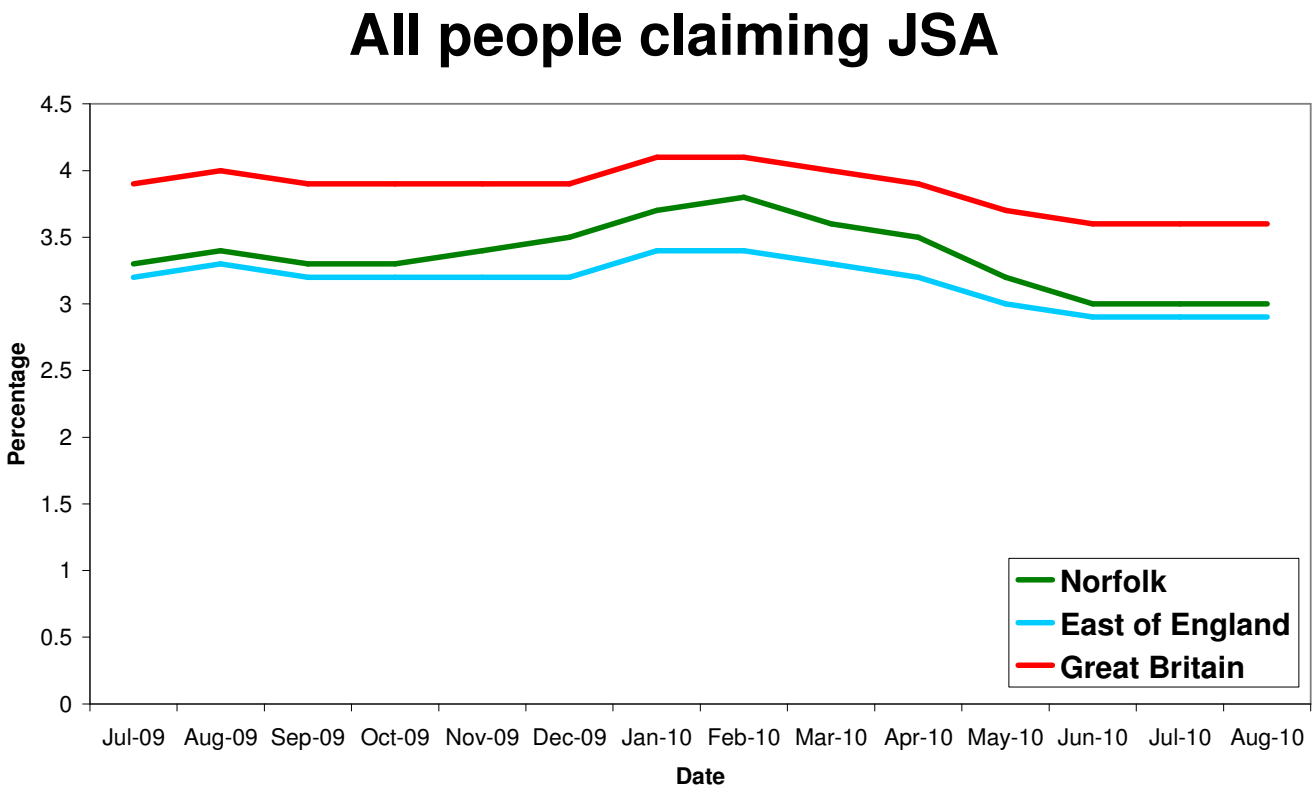
Screen East, a government agency supporting the film industry in the region, is no longer operating because of financial difficulties and its finance manager has been arrested on suspicion of theft.

Aquaterra Energy, Norwich – engineering services to offshore energy industry – has landed a multimillion pound deal to supply pioneering oil and gas drilling equipment to Apache North Sea (oil and gas exploration firm)

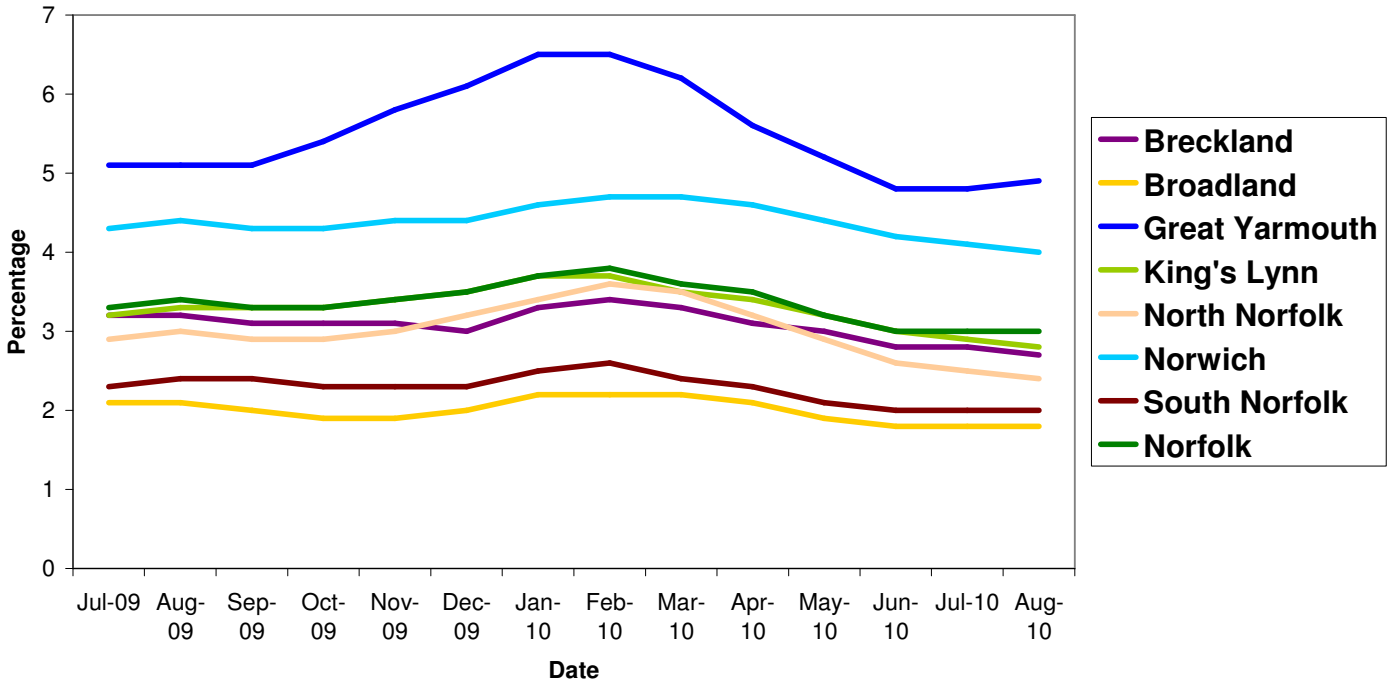
Unemployment

Key Facts
Norfolk JSA claimant count was 15,663 in August, down 255 or 1.42% since July 2010 and down by 2,193 on the year, a 12.3% decrease since August 2009.
The Norfolk rate remains 0.1% above the East of England rate, but is now 1% below the Great Britain rate.
The unemployment rate continues to fall in Norwich by 0.1% this month, but remains the same in Broadland and South Norfolk.

Source: Job Centre Plus



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	15,663	3.0	-2,193	-12.3%
Breckland	2,157	2.7	-410	-16.0%
Broadland	1,331	1.8	-261	-16.4%
Great Yarmouth	2,908	4.9	-138	-4.5%
King's Lynn & West Norfolk	2,420	2.8	-427	-15.0%
North Norfolk	1,395	2.4	-306	-18.0%
Norwich	4,026	4.0	-359	-8.2%
South Norfolk	1,426	2.0	-292	-17.0%

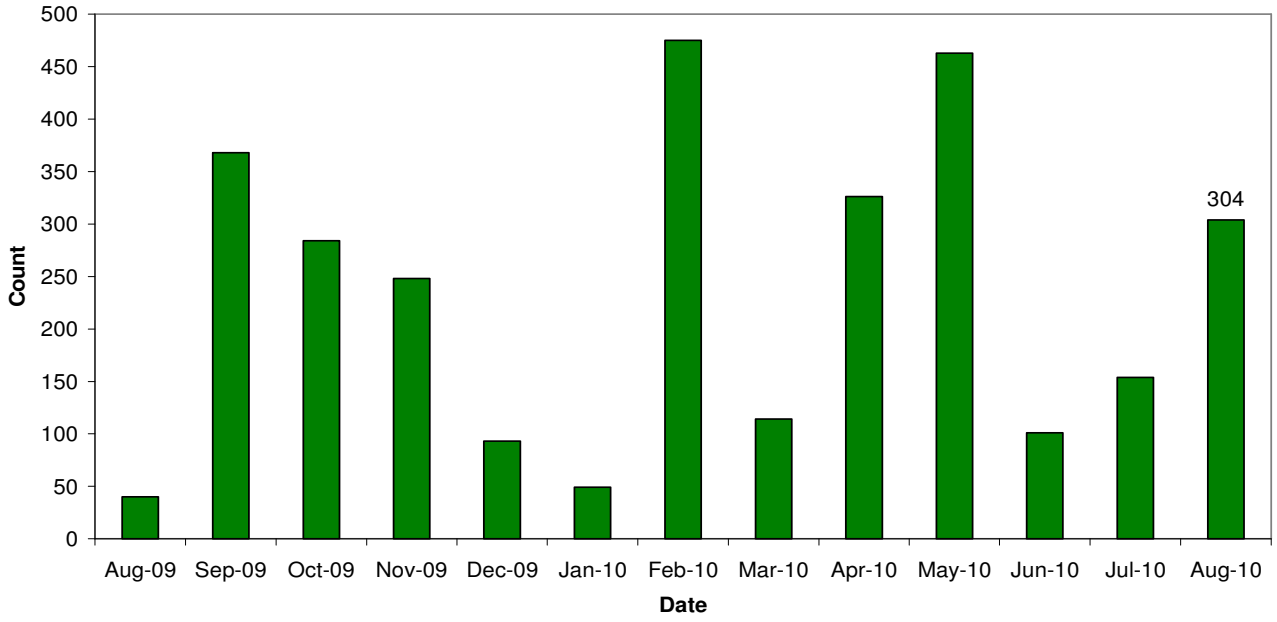
Source: Job Centre Plus

6,360 claimants in August 2010 were from the Norwich Job Centre Plus office, a 10 percent fall from 2009, a decrease of 2.35 percent since July 2010.

Redundancies

Key Facts
There have been 8,284 redundancies notified to Job Centre Plus between July 2008 and 31 August 2010, with an increase of 97.40% since July 2010. Of these 51% have been in Norwich, 4% in Broadland and 2.3% in South Norfolk.
The hardest hit sector this month was manufacturing with 285 job losses.
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
5th August 2010	3	16 (30.19%)	34 (64.15%)	3 (5.66%)
12th August 2010	5	33 (14.16%)	185 (100 temp) (79.4%)	15 (6.44%)
19th August 2010	3	27 (28.42%)	67 (70.53%)	1 (1.05%)
26th August 2010	4 and a ½	48 (43.64%)	55 (50%)	7 (6.36%)

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

Job Vacancies

5,061 jobs in Norfolk were notified to Job Centre Plus. Of these 74 percent were full time positions. Notified vacancies were up 27.07 percent from July's total.

In terms of district vacancy notifications:

- Broadland had 653, an increase of 48 percent since last year and a 4 percent increase from July.
- Norwich had 1,806, an increase of 21 percent since last year and a 52 percent decrease from July.
- South Norfolk had 298, a decrease of 28 percent since last year and a 15 percent decrease from July.

Industry	Norfolk	
	August 09	August 10
Agriculture, hunting and forestry	70	147
Manufacturing	169	130
Electricity, gas and water supply	54	99
Construction	134	212
Wholesale and retail trade	360	366
Hotels and restaurants	335	352
Transport, storage and communication	120	90
Financial intermediation	373	214
Real estate, renting and business activities	1,875	1,911
Public administration/defence/compulsory social security	108	86
Education	59	66
Health and social work	520	564
Other community, social and personal service activities	158	809
Private households with employed persons	4	14
Column Total	**4,339**	**5,060**

Industry sectors with falls in job vacancies

Housing

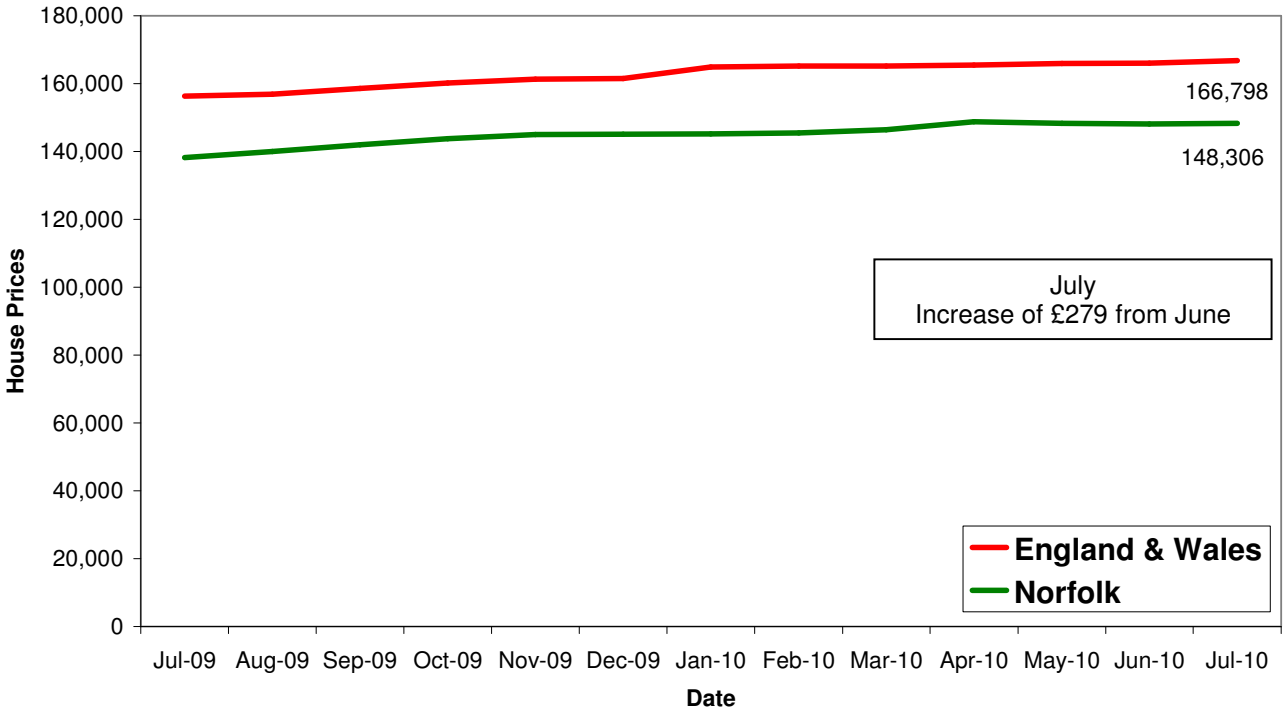
Key Facts

UK house prices increased by 0.2% in August. This, together with July's rise of 0.7%, has reversed much of the modest decline in the three preceding months. Prices are now at a very similar level to that at the end of last year. Activity has also been largely static since the start of the year.

- **Average House price £167, 953**

Source: Halifax House Price Index

House Price Trends



Source: Land Registry

Agency Express, installs and maintains estate agents' signs, published its latest Property Activity Index for the region. It showed new listings for sale in August were up 2 percent against July, compared to an increase of just 0.5 percent nationally. But in terms of the number of properties sold, the region falls behind with a 0.4 percent increase compared to a 0.9 percent rise nationally.
Norwich sellers are particularly optimistic, with a 4.7 percent increase in new listings. However, sales in the city are still down 9.9 percent against July.